JOURNAL

of the

HOUSE OF REPRESENTATIVES

of the

GENERAL ASSEMBLY

of the

COMMONWEALTH OF KENTUCKY

Regular Session of 1984

Volume II

Held in the State Capitol in the Capital City of Frankfort, at
Frankfort, in the Year of Our Lord 1984, and
in the One Hundred and Ninety-Second
Year of the Commonwealth

Begun on the Third Day of January, 1984, and Adjourned
Sine Die on the Thirteenth Day of April, 1984

Paid from State Funds

FOREWORD

The Constitution requires each house of the General Assembly to keep a Journal of its proceedings. The Journal is intended to assure a public account of legislative activity and constitutes the final official record of action by the General Assembly.

Under the provisions of Section 6.161, 6.162 and 57.151 of the *Kentucky Revised Statutes,* the Legislative Research Commission is responsible for comparing, editing, correcting, and publishing the Journals as approved by each house of the General Assembly. This volume represents the fulfillment of this obligation for the House of Representatives of 1984.

The text of a bill is spread in full when it receives a first reading. The roll call on passage of a bill is indicated upon its receipt of a third reading, or upon concurrence by the originating house in amendments by the second house. Simple and concurrent resolutions are printed on first reading when applicable or when adopted, and joint resolutions are treated as bills. A table of actions on bills and resolutions is appended.

Mrs. Shan Stone Gray, Mrs. Jeanne Wallace, Mrs. Jenny May and Mrs. Delores Dearborn prepared the 1984 House Journal. The edited copy and index found in this volume reflect the cooperative efforts of the commission's staff.

VIC HELLARD, JR.
Director

The Capitol
Frankfort, Kentucky
1984

TUESDAY, MARCH 13, 1984

FORTY-FIFTH LEGISLATIVE DAY

The House was called to order by Speaker Richardson.

Prayer by Reverend Lawrence Phipps, Franklin Cross Roads Baptist Church, Cecilia, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present.

Representative Brinkley moved that the reading of the Journal of March 12, 1984, be dispensed with and the same approved. Agreed.

Senate Message

Announcing passage of **SB 252** and **SB 334.**

Report on Enrolled Bills

HB 36, HB 41, HB 42, HB 67, HB 434, HB 462, and **HB 631** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bills and Resolutions:

Agriculture and Small Business: **SB 307.**

Appropriations and Revenue: **SB 282.**

Business Organizations and Professions: **SB 251, SB 331, SB 340.**

Cities: **SB 333, HCR 122.**

Counties and Special Districts: **SB 309.**

Education: **SB 204, SB 222, SB 303, SB 335, SB 364, SB 390, SJR 51.**

Health and Welfare: **HCR 120.**

Judiciary-Civil: **SB 305.**

Natural Resources and Environment: **SB 285, SB 298, SB 300, SB 330, HCR 121, HCR 125.**

State Government: **SB 136, SB 326, SB 352.**

Transportation: **SJR 46, SJR 47, HCR 123, HCR 124.**

Report of Committees

The Committee on Rules reported **HB 814, HB 280, HB 515, HB 615, HB 706, HB 728, HB 760, HB 882, HJR 58, HJR 95, HCR 96, HB 366, HB 591, HB 761, HB 769, HB 771, HB 777, HB 807, SB 141, SB 148, SB 230, HB 701, HB 742,** and **SB 16** have been posted for passage in Orders of the Day, March 14, 1984.

The Committee on Rules reported the following Bills have been recommitted.

Business Organizations and Professions: **HB 646.**

Education: **SB 135.**

Appropriations and Revenue: **HB 717.**

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bills and Resolutions have been posted for Committee consideration:

State Government: **SB 265, HJR 92.**

Energy: **HB 696.**

Labor and Industry: **SB 206.**

Report of Committees

The Committee on Counties and Special Districts reported **HB 703** with Committee Substitute attached thereto, **HB 797, HB 889, HB 900** with Committee Amendment attached thereto, **SB 3, SB 243** with Committee Amendment attached thereto, **SB 273** with Committee Amendment attached thereto, and **SB 276** with Committee Amendment attached thereto, **HB 438** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 703, AN ACT relating to local development.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

As used in this Act, unless the context otherwise requires:

(1) "Qualified investment" means new stock or a new partnership interest in a qualified entity, which stock or interest is purchased solely for cash by the taxpayer.

(2) "New stock" means a share or shares of stock of a corporation if the stock, when purchased by the taxpayer, is authorized but unissued.

(3) "New partnership interest" means either a general or a limited partnership interest in a limited partnership if the interest is acquired by the taxpayer from the limited partnership.

(4) "Qualified entity" means the local development corporation, and any other corporation or limited partnership in which the local development corporation purchases new stock or a new interest pursuant to Section 6 of this Act.

(5) "Local development corporation" means the corporation organized pursuant to Sections 6 and 7 of this Act.

(6) "State tax liability" means a taxpayer's total tax liability that is incurred under:

(a) KRS 141.020, individual income tax;

(b) KRS 141.040, corporate income tax;

(c) KRS 136.270(1), state bank shares tax;

(d) KRS 132.020(2), state tax on intangible personal property;

(e) KRS 136.310, savings and loan association tax; and

(f) KRS 136.330, insurance premiums tax;

as computed after the application of the credits, except the credits provided by this Act, that the taxpayer uses to reduce that liability.

(7) "Taxpayer" means any person, corporation, partnership, or other entity that has any state tax liability.

(8) "County judge/executive" means the county judge/executive or the chief executive officer of an

urban-county government.

SECTION 2. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

Subject to Section 5 of this Act, a taxpayer is entitled to a credit against any state tax liability which may be imposed on the taxpayer for a particular taxable year that begins after December 31, 1984, if the taxpayer purchases a qualified investment in a qualified entity. However, a taxpayer may only receive a credit for qualified investments purchased within three (3) years of the creation of the local development corporation.

SECTION 3. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

Subject to Section 5 of this Act, the amount of the credit that a taxpayer may receive under this Act for a particular taxable year is equal to the lesser of the taxpayer's state tax liability for that taxable year, or the amount determined in step three of the following steps:

Step one: Add the consideration paid for all qualified investments the taxpayer purchased during that taxable year;

Step two: Multiply the amount determined in step one by three-tenths (.3): and

Step three: Add the product determined in step two to the credit carryover, if any, to which the taxpayer is entitled for that taxable year under Section 6 of this Act.

SECTION 4. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

If the amount determined under steps one through three of Section 3 of this Act for a particular taxpayer and a particular taxable year exceeds the taxpayer's state tax liability for that taxable year, then the taxpayer may carry the excess over to the immediately succeeding taxable years. However, the credit carryover may not be used for any taxable year that begins on or after January 1, 1990. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this Act for any subsequent taxable year. A credit based on a qualified investment purchased during 1984 shall be a credit carryover to taxable years that begin after 1984.

SECTION 5. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The total amount of credits allowed under this Act may not exceed in the aggregate two million dollars ($2,000,000) for each local development corporation for all taxpayers making qualified investments in such corporation and all taxable years. The aggregate amount of consideration paid by all taxpayers for qualified investments in a particular qualified entity, other than the local development corporation, which may be used by all those taxpayers as a basis for credits under this Act, may not exceed an amount equal to five (5) times the amount of consideration paid by the local development corporation for new stock or a new partnership interest in the qualified entity. The local development corporation shall administer the provisions of this section and shall issue the forms required by Section 14 of this Act only to the extent consistent with the limits in this section. If aggregate consideration paid for qualified investments which would otherwise qualify for the credit provided by this Act exceeds the limits imposed by this section, the credit shall be allowed to taxpayers in the order of the time of the purchase of the qualified investments.

SECTION 6. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) To carry out the purposes of this Act, the local development corporation shall be formed under KRS Chapter 271A. The articles of incorporation of the local development corporation shall comply with the provisions set forth in subsections (2) through (6) of this section.

(2) The purpose of the local development corporation shall be solely to raise funds which shall be used to make investments in qualified entities described in subsection (4) of this section; to provide financing to Kentucky business firms; and to make investments in qualified entities described in subsection (5) of this section in a manner that will encourage capital investment in the Commonwealth of Kentucky, encourage the establishment or expansion of business and industry in the state, provide additional jobs within the state, and encourage research and development activities.

(3) The directors need not be shareholders in the local development corporation, and there shall be not less than three (3) nor more than seven (7) directors, three (3) of whom shall be persons who have been nominated to be directors by the county judge/executive.

(4) The local development corporation may purchase new stock in a corporation organized under KRS Chapter 271A or may purchase a new partnership interest in a limited partnership that has its principal office located in Kentucky if the corporation or partnership:

(a) Has received a license or a statement of intent to license as a small business investment company from the small business administration of the United States under the small business investment act of 1958, as amended; and

(b) Is organized and operated solely for the purpose of performing the functions and conducting the activities contemplated by the small business investment act of 1958, as amended.

(5) The local development corporation may purchase new stock in a corporation organized under KRS Chapter 271A or may purchase a new partnership in a limited partnership that has its principal office located in Kentucky, and provide financing to entities doing business primarily in Kentucky, including but not limited to minority businesses, corporations and partnerships, to be used solely for the purpose of enhancing the production capacity of the entity or the ability of the entity to do business in Kentucky. The financing may include any or a combination of equity investments, loans, guarantees, and commitments for financing, and the amount of financing is unlimited.

(6) No business shall be transacted or indebtedness incurred, except such as shall be incidental to the local development corporation's organization or to obtaining subscriptions to or payment for its shares, until the sum of legally enforceable subscriptions and consideration for shares equals at least five hundred thousand dollars ($500,000). Amounts paid in shall be the initial stated capital of the local development corporation.

SECTION 7. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) The county judge/executive may petition the secretary of the commerce cabinet for the creation of a local development corporation on his own initiative or on suggestion of the secretary of the commerce cabinet or any other interested party. The petition shall be accompanied by a draft copy of the articles of incorporation of the proposed corporation and other information that the secretary of the commerce cabinet deems appropriate. The secretary of the commerce cabinet shall consult with the secretary of the revenue cabinet and shall, within ninety (90) days of the receipt of the application, render a decision approving or disapproving the creation of the local development corporation.

(2) Following the approval of the secretary of the commerce cabinet, the county judge/executive may cause the local development corporation to be formed, and he shall designate the incorporators and the first board of directors, no more than a simple majority of which may be members of the same political party. The county judge/executive may expend such funds as he deems appropriate for the purpose of organizing the local development corporation and marketing the securities thereof.

SECTION 8. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The local development corporation is exempt from any and all state tax levies including, but not limited to, the corporate income tax (KRS 141.040) and intangibles tax (KRS 132.020(2)). However, the local development corporation is not exempt from employment taxes or any taxes imposed by a county or by a municipal corporation.

SECTION 9. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) Except as provided in subsection (2) of this section, income that is taxable to a taxpayer who purchased a qualified investment by reason of ownership of the qualified investment is exempt from income tax under KRS 141.020 or 141.040.

(2) The exemption provided under subsection (1) of this section shall not apply to any income realized by reason of the sale or other disposition of the qualified investment.

SECTION 10. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

Any taxpayer is exempt from any tax to the extent that the tax is based on or measured by the qualified investment, including, but not limited to, any tax which might otherwise be imposed with respect to the qualified investment under the intangibles tax (KRS 132.020(2)), the bank tax (KRS 136.270(1)), and the savings and loan association tax (KRS 136.310).

SECTION 11. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

If a qualified investment which is the basis for a credit under this Act is redeemed by the qualified entity within five (5) years of the date it is purchased, the credit provided by this Act for the qualified investment shall be disallowed, and any credit previously claimed and allowed with respect to the qualified investment so redeemed shall be paid to the revenue cabinet with the appropriate return of the taxpayer covering the period in which the redemption occurred. When payments are made to the cabinet under this section, the amount collected shall be handled in exactly the same manner as if no credit had been allowed.

SECTION 12. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) A credit to which a taxpayer is entitled under this Act shall be applied against taxes owed by the taxpayer in the following order:

(a) First, against the taxpayer's income tax liability under KRS 141.020 or 141.040 for the taxable year;

(b) Second, against the taxpayer's intangibles tax liability under KRS 132.020(2) for the taxable year;

(c) Third, against the taxpayer's bank tax liability under KRS 136.270(1) or savings and loan association tax liability under KRS 136.310 for the taxable year;

(d) Fourth, against the taxpayer's insurance premiums tax liability under KRS 136.330 for the taxable year.

(2) Whenever the tax paid by the taxpayer under any of the tax provisions listed in subsection (1) of this section is a credit against the liability or a deduction in determining the tax base under another Kentucky tax provision, the credit or deduction shall be computed without regard to the credit to which a taxpayer is entitled under this Act.

SECTION 13. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

To receive the credit provided by this Act, a taxpayer must:

(1) Claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the revenue cabinet; and

(2) File with the revenue cabinet and with the taxpayer's annual state tax return or returns a copy of the form issued by the local development corporation as to the qualified investment by the taxpayer, which shall include an undertaking by the taxpayer to report to the revenue cabinet any redemption of the qualified investment, if the redemption is covered by Section 11 of this Act.

SECTION 14. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The local development corporation shall complete forms prescribed by the revenue cabinet which shall show as to each qualified investment in any qualified entity the following:

(1) The name, address, and employer identification number of the qualified entity;

(2) The name, address, and identification number of the taxpayer who purchased the qualified investment; and

(3) The extent of the qualified investment purchased by the taxpayer and the amount paid therefor.

The forms required to be filed with the revenue cabinet shall be filed by the local development corporation on or before the fifteenth day of the second month following the month in which the qualified investment is purchased. Copies of the forms shall be mailed to the taxpayer and, where the qualified entity is not the local development corporation, the qualified entity on or before that same date.

SECTION 15. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The tax exemptions contained in Sections 8, 9 and 10 of this Act may be repealed or modified by the general assembly of the Commonwealth of Kentucky.

SECTION 16. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

As used in Sections 16 to 20 of this Act, unless the context otherwise requires:

(1) "Authority" means the legislative body of any city, county or urban-county government that creates, establishes, and designates an innovative development area within its respective jurisdiction, pursuant to Sections 16 to 18 of this Act.

(2) "Innovative development area" means an area of any city, county or urban-county government declared by an authority to be eligible for the benefits of Sections 19 and 20 of this Act.

(3) "Qualified business" means any person, corporation or other entity that during the time of designation of an innovative development area is engaged in the active conduct of a trade or business within the area, and that is a qualified entity within the context of Sections 1 to 15 of this Act, or a Kentucky business in which financing has been provided by a local development corporation under the provisions of Section 6 of this Act.

(4) "Qualified property" means:

(a) Any tangible personal property located in an innovative development area used predominantly by a qualified business in the active conduct of a trade or business; and

(b) Any real property located in an innovative development area which:

1. Is used predominantly by a qualified business in the active conduct of a trade or business; or

2. Any interest in a corporation, partnership or other entity if, for the most recent taxable year of such entity ending before the date of sale or exchange, such entity was a qualified business.

SECTION 17. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The legislative body of any city, county or urban-county government may by ordinance create, establish and designate innovative development areas within its jurisdiction pursuant to Sections 16 to 18 of this Act.

SECTION 18. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) Any area within a city, county or urban-county government may be designated an innovative development area by act of the legislative body of a city, county or urban-county government, provided that:

(a) Such area shall have a continuous boundary;

(b) Not more than two (2) areas may be designated within the jurisdiction of any city, county or urban-county government within any calendar year; and

(c) Any designation of an area shall remain in effect for a period of five (5) years.

(2) In deciding which areas within its jurisdiction should be designated innovative development areas, the authority shall give preference to areas containing high levels of unemployment or underemployment and evidence of general economic distress.

SECTION 19. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

In order to carry out the purposes and intent of Sections 16 to 18 of this Act, the legislative body of any city, county or urban-county government that has designated an innovative development area pursuant to Sections 16 to 18 of this Act, may exempt for a period not to exceed five (5) years, any qualified business from the provisions of any regulation or rule, in whole or in part, which has been promulgated by such legislative body; however, no exemption shall be given if such exemption shall endanger the public safety and welfare.

SECTION 20. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) The provisions of KRS Chapters 67, 68, 91, 92 and 137 notwithstanding, for a period not to exceed five (5) years, any city, county or urban-county government that has designated an innovative development area pursuant to Sections 16 to 18 of this Act, may levy an annual license tax of ten dollars ($10) upon any qualified business within an innovative development area, in lieu of all other license taxes that may be imposed on such qualified business by such city, county or urban-county government.

(2) The provisions of KRS Chapter 132 notwithstanding, for a period not to exceed five (5) years, any city, county or urban-county government that has designated an innovative development area pursuant to Sections 16 to 18 of this Act, may levy for the purposes of revenues received by such city, county or urban-county government, an ad valorem tax rate on qualified property within an innovative development area of one-tenth of one cent ($.001) upon each one hundred dollars ($100) of assessed valuation, in lieu of any other ad valorem taxes levied by such city, county or urban-county government on such qualified property.

The Committee Substitute to **HB 703** is as follows:

HB 703, AN ACT relating to local development.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

As used in this Act, unless the context otherwise requires:

(1) "Qualified investment" means new stock or a new partnership interest in a qualified entity, which stock or interest is purchased solely for cash by the taxpayer.

(2) "New stock" means a share or shares of stock of a corporation if the stock, when purchased by the taxpayer, is authorized but unissued.

(3) "New partnership interest" means either a general or a limited partnership interest in a limited partnership if the interest is acquired by the taxpayer from the limited partnership.

(4) "Qualified entity" means the local development corporation, and any other corporation or limited partnership in which the local development corporation purchases new stock or a new interest pursuant to Section 6 of this Act.

(5) "Local development corporation" means the corporation organized pursuant to Sections 6 and 7 of this Act.

(6) "State tax liability" means a taxpayer's total tax liability that is incurred under:

(a) KRS 141.020, individual income tax;

(b) KRS 141.040, corporate income tax;

(c) KRS 136.270(1), state bank shares tax;

(d) KRS 132.020(2), state tax on intangible personal property;

(e) KRS 136.310, savings and loan association tax; and

(f) KRS 136.330, insurance premiums tax;

as computed after the application of the credits, except the credits provided by this Act, that the taxpayer uses to reduce that liability.

(7) "Taxpayer" means any person, corporation, partnership, or other entity that has any state tax liability.

(8) "County judge/executive" means the county judge/executive or the chief executive officer of an urban-county government.

SECTION 2. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS

FOLLOWS:

Subject to Section 5 of this Act, a taxpayer is entitled to a credit against any state tax liability which may be imposed on the taxpayer for a particular taxable year that begins after December 31, 1984, if the taxpayer purchases a qualified investment in a qualified entity. However, a taxpayer may only receive a credit for qualified investments purchased within three (3) years of the creation of the local development corporation.

SECTION 3. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

Subject to Section 5 of this Act, the amount of the credit that a taxpayer may receive under this Act for a particular taxable year is equal to the lesser of the taxpayer's state tax liability for that taxable year, or the amount determined in step three of the following steps:

Step one: Add the consideration paid for all qualified investments the taxpayer purchased during that taxable year;

Step two: Multiply the amount determined in step one by three-tenths (.3): and

Step three: Add the product determined in step two to the credit carryover, if any, to which the taxpayer is entitled for that taxable year under Section 6 of this Act.

SECTION 4. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

If the amount determined under steps one through three of Section 3 of this Act for a particular taxpayer and a particular taxable year exceeds the taxpayer's state tax liability for that taxable year, then the taxpayer may carry the excess over to the immediately succeeding taxable years. However, the credit carryover may not be used for any taxable year that begins more than six (6) years following the year in which the qualified investment was made. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this Act for any subsequent taxable year. A credit based on a qualified investment purchased during 1984 shall be a credit carryover to taxable years that begin after 1984.

SECTION 5. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The total amount of credits allowed under this Act may not exceed in the aggregate two million dollars ($2,000,000) for each local development corporation for all taxpayers making qualified investments in such corporation and all taxable years. The aggregate amount of consideration paid by all taxpayers for qualified investments in a particular qualified entity, other than the local development corporation, which may be used by all those taxpayers as a basis for credits under this Act, may not exceed an amount equal to five (5) times the amount of consideration paid by the local development corporation for new stock or a new partnership interest in the qualified entity. The local development corporation shall administer the provisions of this section and shall issue the forms required by Section 14 of this Act only to the extent consistent with the limits in this section. If aggregate consideration paid for qualified investments which would otherwise qualify for the credit provided by this Act exceeds the limits imposed by this section, the credit shall be allowed to taxpayers in the order of the time of the purchase of the qualified investments.

SECTION 6. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) To carry out the purposes of this Act, the local development corporation shall be formed under KRS Chapter 271A. The articles of incorporation of the local development corporation shall comply with the provisions set forth in subsections (2) through (6) of this section.

(2) The purpose of the local development corporation shall be solely to raise funds which shall be used to make investments in qualified entities described in subsection (4) of this section; to provide financing to Kentucky business firms; and to make investments in qualified entities described in subsection (5) of this section in a manner that will encourage capital investment in the Commonwealth of Kentucky, encourage the establishment or expansion of business and industry in the state, provide additional jobs within the state, and encourage research and development activities.

(3) The directors need not be shareholders in the local development corporation, and there shall be not less than three (3) nor more than seven (7) directors, three (3) of whom shall be persons who have been nominated to be directors by the county judge/executive.

(4) The local development corporation may purchase new stock in a corporation organized under KRS Chapter 271A or may purchase a new partnership interest in a limited partnership that has its principal office located in Kentucky if the corporation or partnership:

(a) Has received a license or a statement of intent to license as a small business investment company from the small business administration of the United States under the small business investment act of 1958, as amended; and

(b) Is organized and operated solely for the purpose of performing the functions and conducting the activities contemplated by the small business investment act of 1958, as amended.

(5) The local development corporation may purchase new stock in a corporation organized under

KRS Chapter 271A or may purchase a new partnership in a limited partnership that has its principal office located in Kentucky, and provide financing to entities doing business primarily in Kentucky, including but not limited to minority businesses, corporations and partnerships, to be used solely for the purpose of enhancing the production capacity of the entity or the ability of the entity to do business in Kentucky. The financing may include any or a combination of equity investments, loans, guarantees, and commitments for financing, and the amount of financing is unlimited.

(6) No business shall be transacted or indebtedness incurred, except such as shall be incidental to the local development corporation's organization or to obtaining subscriptions to or payment for its shares, until the sum of legally enforceable subscriptions and consideration for shares equals at least five hundred thousand dollars ($500,000). Amounts paid in shall be the initial stated capital of the local development corporation.

SECTION 7. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) The county judge/executive may petition the secretary of the commerce cabinet for the creation of a local development corporation on his own initiative or on suggestion of the secretary of the commerce cabinet or any other interested party. The petition shall be accompanied by a draft copy of the articles of incorporation of the proposed corporation and other information that the secretary of the commerce cabinet deems appropriate. The secretary of the commerce cabinet shall consult with the secretary of the revenue cabinet and shall, within ninety (90) days of the receipt of the application, render a decision approving or disapproving the creation of the local development corporation.

(2) Following the approval of the secretary of the commerce cabinet, the county judge/executive may cause the local development corporation to be formed, and he shall designate the incorporators and the first board of directors, no more than a simple majority of which may be members of the same political party. The county judge/executive may expend such funds as he deems appropriate for the purpose of organizing the local development corporation and marketing the securities thereof.

SECTION 8. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The local development corporation is exempt from any and all state tax levies including, but not limited to, the corporate income tax (KRS 141.040) and intangibles tax (KRS 132.020(2)). However, the local development corporation is not exempt from employment taxes or any taxes imposed by a county or by a municipal corporation.

SECTION 9. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) Except as provided in subsection (2) of this section, income that is taxable to a taxpayer who purchased a qualified investment by reason of ownership of the qualified investment is exempt from income tax under KRS 141.020 or 141.040.

(2) The exemption provided under subsection (1) of this section shall not apply to any income realized by reason of the sale or other disposition of the qualified investment.

SECTION 10. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

Any taxpayer is exempt from any tax to the extent that the tax is based on or measured by the qualified investment, including, but not limited to, any tax which might otherwise be imposed with respect to the qualified investment under the intangibles tax (KRS 132.020(2)), the bank tax (KRS 136.270(1)), and the savings and loan association tax (KRS 136.310).

SECTION 11. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

If a qualified investment which is the basis for a credit under this Act is redeemed by the qualified entity within five (5) years of the date it is purchased, the credit provided by this Act for the qualified investment shall be disallowed, and any credit previously claimed and allowed with respect to the qualified investment so redeemed shall be paid to the revenue cabinet with the appropriate return of the taxpayer covering the period in which the redemption occurred. When payments are made to the cabinet under this section, the amount collected shall be handled in exactly the same manner as if no credit had been allowed.

SECTION 12. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) A credit to which a taxpayer is entitled under this Act shall be applied against taxes owed by the taxpayer in the following order:

(a) First, against the taxpayer's income tax liability under KRS 141.020 or 141.040 for the taxable year;

(b) Second, against the taxpayer's intangibles tax liability under KRS 132.020(2) for the taxable year;

(c) Third, against the taxpayer's bank tax liability under KRS 136.270(1) or savings and loan association tax liability under KRS 136.310 for the taxable year;

(d) Fourth, against the taxpayer's insurance premiums tax liability under KRS 136.330 for the

taxable year.

(2) Whenever the tax paid by the taxpayer under any of the tax provisions listed in subsection (1) of this section is a credit against the liability or a deduction in determining the tax base under another Kentucky tax provision, the credit or deduction shall be computed without regard to the credit to which a taxpayer is entitled under this Act.

SECTION 13. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

To receive the credit provided by this Act, a taxpayer must:

(1) Claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the revenue cabinet; and

(2) File with the revenue cabinet and with the taxpayer's annual state tax return or returns a copy of the form issued by the local development corporation as to the qualified investment by the taxpayer, which shall include an undertaking by the taxpayer to report to the revenue cabinet any redemption of the qualified investment, if the redemption is covered by Section 11 of this Act.

SECTION 14. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The local development corporation shall complete forms prescribed by the revenue cabinet which shall show as to each qualified investment in any qualified entity the following:

(1) The name, address, and employer identification number of the qualified entity;

(2) The name, address, and identification number of the taxpayer who purchased the qualified investment; and

(3) The extent of the qualified investment purchased by the taxpayer and the amount paid therefor.

The forms required to be filed with the revenue cabinet shall be filed by the local development corporation on or before the fifteenth day of the second month following the month in which the qualified investment is purchased. Copies of the forms shall be mailed to the taxpayer and, where the qualified entity is not the local development corporation, the qualified entity on or before that same date.

SECTION 15. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The tax exemptions contained in Sections 8, 9 and 10 of this Act may be repealed or modified by the general assembly of the Commonwealth of Kentucky.

SECTION 16. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

As used in Sections 16 to 20 of this Act, unless the context otherwise requires:

(1) "Authority" means the legislative body of any county or urban-county government that creates, establishes, and designates an innovative development area within its respective jurisdiction, pursuant to Sections 16 to 18 of this Act.

(2) "Innovative development area" means an area within any county or urban-county government declared by an authority to be eligible for the benefits of Sections 19 and 20 of this Act.

(3) "Qualified business" means any person, corporation or other entity that during the time of designation of an innovative development area is engaged in the active conduct of a trade or business within the area, and that is a qualified entity within the context of Sections 1 to 15 of this Act, or a Kentucky business in which financing has been provided by a local development corporation under the provisions of Section 6 of this Act.

(4) "Qualified property" means:

(a) Any tangible personal property located in an innovative development area used predominantly by a qualified business in the active conduct of a trade or business; and

(b) Any real property located in an innovative development area which:

1. Is used predominantly by a qualified business in the active conduct of a trade or business; or

2. Any interest in a corporation, partnership or other entity if, for the most recent taxable year of such entity ending before the date of sale or exchange, such entity was a qualified business.

SECTION 17. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The legislative body of any county or urban-county government may by ordinance create, establish and designate innovative development areas within its jurisdiction pursuant to Sections 16 to 18 of this Act.

SECTION 18. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) Any area within a county or urban-county government may be designated an innovative development area by act of the legislative body of such county or urban-county government, provided that:

(a) Such area shall have a continuous boundary;

(b) Not more than two (2) areas may be designated within the jurisdiction of any county or urban-county government within any calendar year; and

(c) Any designation of an area shall remain in effect for a period of five (5) years.

(2) In deciding which areas within its jurisdiction should be designated innovative development

areas, the authority shall give preference to areas containing high levels of unemployment or underemployment and evidence of general economic distress.

(3) Before designating an area as an innovative development area, the legislative body shall consider the benefits to accrue to the community as a result of such designation, including a determination whether the anticipated long-term increases in tax revenues and employment are greater than any short-term loss to the community from any waiver or decrease in any tax or regulation permitted herein.

SECTION 19. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) In order to carry out the purposes and intent of Sections 16 to 18 of this Act, the legislative body of any county or urban-county government that has designated an innovative development area pursuant to Sections 16 to 18 of this Act, may, by regulation, exempt for a period not to exceed five (5) years within such area, any innovative development area from the provisions of any regulation, in whole or in part, which has been promulgated by such legislative body.

(2) Innovative development areas shall not be exempted from the provisions of any regulation, including, but not limited to, provisions of building codes, if such exemption endangers the health and safety of the citizens of the Commonwealth.

(3) The authority shall conduct a review of local regulations and shall recommend exemption of regulations which would contribute to the implementation of this Act.

SECTION 20. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) The provisions of KRS Chapters 67, 68, 91, 92 and 137 notwithstanding, for a period not to exceed five (5) years, any county or urban-county government that has designated an innovative development area pursuant to Sections 16 to 18 of this Act, may levy an annual license tax of ten dollars ($10) upon any qualified business within an innovative development area, in lieu of all other license taxes that may be imposed on such qualified business by such county or urban-county government.

(2) The provisions of KRS Chapter 132 notwithstanding, for a period not to exceed five (5) years, any county or urban-county government that has designated an innovative development area pursuant to Sections 16 to 18 of this Act, may levy for the purposes of revenues received by such county or urban-county government, an ad valorem tax rate on qualified property within an innovative development area of one-tenth of one cent ($.001) upon each one hundred dollars ($100) of assessed valuation, in lieu of any other ad valorem taxes levied by such county or urban-county government on such qualified property.

HB 797, AN ACT relating to county police forces.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 70.540 is amended to read as follows:

The county judges/executive, *with the approval of the fiscal courts* of the respective counties shall have and are hereby given the power, jurisdiction and authority to establish, appoint and maintain a county police force within their respective counties, all of the members and officers of which shall have and are hereby given jurisdiction coextensive with the whole county for which they are appointed. Such police force may consist of a chief and such member, rank and grade subordinate to the chief, and such clerical and skilled employes as the county judge/executive, *with the approval of the fiscal court* shall deem proper. All of the members and employes of the county police force shall be appointed by the county judge/executive, *with the approval of the fiscal court* and shall serve for a term of one (1) year from the date of their respective appointments, unless sooner removed by the county judge/executive, *with the approval of the fiscal court* for neglect of duty or improper conduct. All members of the force shall be citizens of the United States not less than twenty-one (21) years of age and residents of the Commonwealth of Kentucky. None but discreet and sober persons shall be appointed to any position on said county police force. Each of the members of the said county police force shall take an oath, before the county judge/executive of their county, to faithfully, impartially and diligently perform the duties of their respective offices. Provided, however, that the chief officer of the county police force of any county may be designated, in the discretion of the county judge/executive, *with the approval of the fiscal court* of said county, as captain or any other appropriate title, and such county police force in any county may consist of one or more commanding officers, as the county judge/executive, *with the approval of the fiscal court* of such county may deem proper or adequate.

HB 889, AN ACT relating to disaster and emergency response.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 39.416 is amended to read as follows:

Each county, metropolitan government, and city shall have the power and authority:

(1) To appropriate and expend funds, make contracts, obtain and distribute equipment, materials, and supplies for disaster and emergency response purposes; provide for the health and safety of persons and property, including emergency assistance to the victims of any disaster or emergency; and to direct and coordinate the development of disaster and emergency plans and programs in accordance with the policies and plans prescribed by the federal and state disaster and emergency response agencies;

(2) To appoint, employ, remove, or provide, with or without compensation, rescue teams, auxiliary fire and police personnel, and other disaster and emergency response workers;

(3) To establish a primary and one or more secondary control centers to serve as command posts during an emergency;

(4) Subject to the order of the governor, or the *declaration of an emergency by the* chief executive of the county, metropolitan government, or city, to assign and make available for duty, the employes, property, or equipment of the county or city relating to fire fighting, engineering, rescue, health, medical and related services, police, transportation, construction, and similar items or services for disaster and emergency response purposes and within or outside of the physical limits of the county, metropolitan government, or city;

(5) In the event of enemy attack or state of emergency as provided in KRS 39.409, to waive procedures and formalities otherwise required by the law pertaining to: the performance of public work, entering into contracts, the incurring of obligations, the employment of permanent and temporary workers, the utilization of volunteer workers, the rental of equipment, the purchase and distribution, with or without compensation, of supplies, materials, and facilities, and the appropriation and expenditure of public funds.

HB 900, AN ACT relating to court costs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 64.092 is amended to read as follows:

Compensation of sheriffs and other law enforcement officers or agencies for attending court shall be as follows:

(1) Compensation shall be provided only for the actual time for which the sheriff or other officer is ordered to be physically present in the courtroom or is ordered to be physically present to discharge a duty ordered by the chief circuit judge, chief district judge, or judge of the court of appeals, as appropriate.

(2) Compensation shall not be provided for more than one sheriff or other officer per courtroom unless the need for additional personnel is certified in writing by the chief circuit judge, chief district judge, or judge of the court of appeals, as appropriate and the utilization of additional personnel is approved by the chief justice, or his designee. In the event of an emergency of such nature precluding contacting the chief justice or his designee, the chief circuit judge, chief district judge, or judge of the court of appeals may authorize such assignment of additional personnel for a period not to exceed twenty-four (24) hours.

(3) Where a single sheriff or other law enforcement officer serves more than one court or courtroom during a single day he shall be paid as if he had served only one courtroom during that day. Dual compensation for service during a single day shall not be permitted.

(4) Time, for compensation purposes, shall be computed as the actual time spent in the courtroom pursuant to court direction or order and the actual time spent in other service to the court as directed or ordered by the appropriate judge.

(5) Time spent in court service by a sheriff or other law enforcement officer shall be certified by the judge of the court which the officer attended and by the chief judge of the circuit court, if the service was to the circuit court, or by the chief judge of the district court, if the service was to the district court.

(6) Compensation shall be at the following rates:

(a) For the first three (3) hours of service in a single day, ten dollars ($10.00).

(b) For service beyond three (3) hours, such additional service shall be compensated at the current federal minimum wage. Compensation for such service shall be pro-rated for the actual number of minutes service within a given hour.

(7) The sheriff shall receive ten dollars ($10) from court costs collected pursuant to KRS 23A.205, 23A.215, 24A.175 and 24A.180 to help defray the cost of providing security services and related activities to the court. The monies received by the sheriff under this subsection are authorized official expenses to be considered operating expenses of the sheriff's office and shall not be considered as part of his compensation.

Section 2. KRS 23A.205 is amended to read as follows:

(1) Court costs for a criminal case in the circuit court shall be *sixty* [~~fifty~~] dollars *($60)* [~~($50)~~].

(2) Taxation of costs against a defendant, upon conviction, may be probated or suspended at the discretion of the court.

(3) Additional fees shall be charged in circuit court criminal matters as follows:

(a) Preparing a certification	$1.00
(b) Preparing a copy of a document (per page)	.15

(4) The additional fees required by subsection (3) of this section shall be paid to the clerk at the time the service is requested.

(5) The circuit clerk shall monthly pay ten dollars($10) from court costs collected pursuant to subsection (1) of this section to the sheriff for use by the sheriff for providing security services and related activities to the court as provided for in KRS 64.092. The clerk shall include among his reports to the administrative office of the courts the amounts paid to the sheriff.

Section 3. KRS 23A.215 is amended to read as follows:

(1) The circuit court filing fee authorized by subsection (1) of KRS 23A.200 shall be placed in the general fund of the state treasury and may be appropriated as provided by law.

(2) Additional fees in circuit court civil cases authorized by subsections (2)(a), (b), (c), (d), (e), (4)(a), and (b) and (8) of KRS 23A.200 shall be placed in the general fund of the state treasury and may be appropriated as provided by law.

(3) The fees authorized by KRS 23A.210 shall be placed in the general fund of the state treasury and may be appropriated as provided by law.

(4) Costs and additional costs authorized by *subsections (1), (2), (3)(a), and (b) and (4) of* KRS 23A.205 shall be placed in the general fund of the state treasury and may be appropriated as provided by law.

(5) *The monies authorized by subsection (5) of KRS 23A.205 shall be paid monthly to the sheriff for use by the sheriff for providing security services and related activities to the court as provided for in KRS 64.092.*

(6) Filing fees in civil actions shall be recoverable as costs.

Section 4. KRS 24A.175 is amended to read as follows:

(1) Court costs for a criminal case in the district court shall be:

(a) For an offense for which prepayment is permitted under KRS 189.394, 431.451, or 431.452 and for which prepayment has been made prior to trial as required by law *$42.00* [~~$32.00~~]

(b) For an offense for which prepayment is not permitted or has not been made *$47.00* [~~$37.00~~]

(2) There shall be no court costs for a parking citation when:

(a) The fine is paid to the clerk before the trial date in the same manner as provided for speeding citations under KRS 189.394(3); and

(b) The citation does not involve parking in a fire lane or blocking the traveled portion of the highway.

(3) Additional costs shall be assessed in district court criminal matters as follows:

(a) Preparing an attestation	$ .50
(b) Preparing a certification	1.00
(c) Preparing a copy of a document (per page)	.25

(4) Taxation of costs against a defendant, upon conviction, including persons sentenced to a drivers' improvement program as provided under KRS 186.574, shall be mandatory and shall not be probated or suspended.

(5) The circuit clerk shall, at the time fines and costs are paid over to the state, pay five dollars ($5.00) from each court cost collected pursuant to subsection (1) of this section to the county treasurer for use by the fiscal court for the sole purpose of defraying the costs of operation of the county jail and shall include among his reports to the administrative office of the courts the amounts paid to the county.

(6) The circuit clerk shall, at the time fines and costs are paid over to the state, pay five dollars ($5.00) from each court cost collected pursuant to subsection (1) of this section to the state treasury for the benefit and use of the Kentucky local correctional facilities construction authority pursuant to KRS 441.625 to 441.695.

(7) The circuit clerk shall monthly pay ten dollars ($10) from court costs collected pursuant to subsection (1) of this section to the sheriff for use by the sheriff for providing security services and related activities to the court as provided for in KRS 64.092. The clerk shall include among his reports to the administrative office of the courts the amounts paid to the sheriff.

Section 5. KRS 24A.180 is amended to read as follows:

(1) The district court filing fee authorized by subsection (1) of KRS 24A.170 shall be placed in the general fund of the state treasury and may be appropriated as provided by law.

(2) The diminished filing fee in certain district court matters as authorized by subdivisions (a), (b), (c), (d) and (e) of subsection (1) of KRS 24A.170 shall be placed in the general fund of the state treasury and may be appropriated as provided by law.

(3) Additional costs in district court civil cases authorized by subsections (2)(a), (b), (c), (d), and (e),

and (4) of KRS 24A.170 shall be placed in the general fund of the state treasury and may be appropriated as provided by law.

(4) Additional costs in district court civil cases authorized by subsection (5) of KRS 24A.170 shall be paid to the sheriff or other officer serving the process.

(5) Costs authorized by subsection (3) of KRS 23A.200 shall be paid to the circuit clerk.

(6) Costs and additional costs authorized by *subsections (1), (2), (3), (4), (5) and (6) of* KRS 24A.175 shall be placed in the general fund of the state treasury and may be appropriated as provided by law.

(7) *The monies authorized by subsection (7) of KRS 24A.175 shall be paid monthly to the sheriff for use by the sheriff for providing security services and related activities to the court as provided for in KRS 64.092.*

(8) Filing fees in civil actions shall be recoverable as costs.

The Committee Amendment No. 1 to **HB 900** is as follows:

Amend printed copy of **HB 900,** on page 3, line 1, by deleting "*ten dollars ($10)*" and inserting "*five dollars ($5)*" in lieu thereof;

On page 3, line 2, by deleting "*court costs*" and inserting "*each court cost*" in lieu thereof;

On page 3, line 12, by deleting "*sixty*" and by inserting "*fifty-five*" in lieu thereof and by deleting "*($60)*" and inserting "*($55)*" in lieu thereof;

On page 3, line 23, by deleting "*ten*" and inserting "*five*" in lieu thereof;

On page 3, line 24, by deleting "*($10)*" and inserting "*($5)*" in lieu thereof;

On page 3, line 24, by deleting "*court costs*" and inserting "*each court cost*" in lieu thereof;

On page 5, line 10, by deleting "*$42.00*" and inserting "*$37.00*" in lieu thereof;

On page 5, line 12, by deleting "*$47.00*" and inserting "*$42.00*"

SB 3, AN ACT relating to the department for local government.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 147A.021 is amended to read as follows:

(1) The department for local government shall have the following powers and duties:

(a) To require such reports from local governments as will enable it adequately to provide the technical and advisory assistance authorized by this section. [~~The reports shall provide the necessary information for a complete file on local government debt, which shall be kept open for public inspection at the state local finance offices.~~]

(b) To encourage, conduct, or participate in training courses in [~~debt and general fiscal management and~~] procedures and practices for the benefit of local officials, and in connection therewith, to cooperate with associations of public officials, business and professional organizations, university faculties, or other specialists.

(c) [~~To conduct studies in debt management, including ways and means of appraising the terms of alternative bids.~~

~~(d)~~] To request such assistance and information, which shall be provided by all departments, divisions, boards, bureaus, commissions, and other agencies of state government to enable the *department* [~~state local finance officer~~] to carry out *its* [~~his~~] duties under this section.

(d)[~~(e)~~] At its discretion, to compile and publish annually a report[~~. Such report may include detailed information~~] on local government [~~long-term debt issued and retired during the previous year and outstanding, and other available statistical data on local government finances~~].

(2) The department for local government shall coordinate for the governor the state's responsibility for, and shall be responsible for liaison with the appropriate state and federal agencies with respect to the following programs:

(a) Demonstration cities and metropolitan development act as amended with the exception of title I of the housing and community development act of 1974 as amended through 1981;

(b) Farmers home administration;

(c) Veterans administration act as amended, as it pertains to housing[~~;~~
~~(d) General revenue sharing for local governments~~].

(3) The department for local government shall provide technical assistance and information to units of local government, including but not limited to:
(a) Personnel administration;
(b) [~~Purchases and contracts;~~
~~(c)~~] Ordinances and codes;
(c)[~~(d)~~] Community development;
(d)[~~(e)~~] Appalachian regional development program;
(e)[~~(f)~~] Economic development administration program;
(f)[~~(g)~~] Intergovernmental personnel act program;
(g)[~~(h)~~] Land and water conservation fund program;
(h)[~~(i)~~] Area development fund program;
(i)[~~(j)~~] Gas system restoration project;
(j)[~~(k)~~] Joint funding administration program;
(k)[~~(l)~~] State clearinghouse for A-95 review;
(l)[~~(m)~~] The memorandums of agreement with the area development districts to provide management assistance to local governments;
(m)[~~(n)~~] The urban development office.

SB 243, AN ACT relating to boards of area development districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 147A.060 is amended to read as follows:

There shall be in each area development district a board of directors. The composition of the board and the terms and appointments of its members in each district shall be specified by administrative regulation issued by the department for local government pursuant to KRS Chapter 13. *The designee of a mayor or county judge/executive shall be a member of the designator's respective legislative body.* The department for local government in specifying the composition of the board shall conform to applicable federal requirements.

The Committee Amendment No. 1 to **SB 243** is as follows:

Amend printed copy of **SB 243** on page 1, line 10, by deleting the period ".", and by adding after the word "*body*" the following: "*or their staff. Other persons who are not elected officials or their staff may be designated as a representative with the consent of that body.*"

SB 273, AN ACT relating to county commissioners.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 67.060 is amended to read as follows:

(1) If a majority of the votes cast at an election held under KRS 67.050 are in favor of the fiscal court being composed of the county judge/executive and three (3) commissioners, the county judge/executive shall, before the next regular election for county officers, divide the county into three (3) districts as nearly equal in population as practicable, and shall establish the boundary lines of each of the three (3) commissioner districts so that each district is an unbroken area and not split or divided by another commissioner district. At the next regular election for county officers, and every four (4) years thereafter, there shall be elected by the voters of the entire county three (3) commissioners, one (1) from each district who, with the county judge/executive, shall constitute the fiscal court.

(2)(a) In any county containing a city of the first class, which county has heretofore voted in favor of a fiscal court composed of the county judge/executive and three (3) county commissioners, the county judge/executive shall divide the county into three (3) districts as provided in subsection (1), the districts to be designated for identification purposes by the letters A, B and C, respectively.

(b) The three commissioners shall be elected by the qualified voters of the county at large at regular elections held every four years. One commissioner shall represent District A and shall be elected at the regular election in the year 1973, and two commissioners who shall represent Districts B and C, respectively, shall be elected at the regular election in the year 1975.

(3) Persons seeking the nomination of a political party as candidate for the office of county commissioner shall, where a primary election is required for such political party, be voted upon exclusively by the eligible voters of the district in which the person resides and seeks to represent. Persons seeking the nomination of a minor political party, persons who file as independent candidates or persons seeking the nomination in counties containing cities of the second *and third* class shall not be subject to the provisions of this paragraph. They shall be nominated by the voters of the entire county.

(4) To be eligible for election as a commissioner representing one of the three districts, a person shall have been a bona fide resident of the district he proposes to represent for at least one year immediately preceding the election, and, upon election, shall continue to reside within the district he was elected to represent for the duration of his term of office, under penalty of forfeiture of the office.

(5) Commissioners elected under this section shall take the oath of office and enter upon the discharge of their duties on the first Monday in January after their election, and shall serve for terms of four (4) years and until their successors are elected and qualify.

(6) No person is eligible to be a county commissioner unless he is at least twenty-four (24) years of age and has been for two (2) years next preceding his election a resident of the county and a citizen of Kentucky.

The Committee Amendment No. 1 to **SB 273** is as follows:

Amend printed copy of **SB 273** on page 2, line 20, by deleting "*and*" and by substituting therefor "*or*".

SB 276, AN ACT relating to marriage licenses.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 402.080 is amended to read as follows:

[~~(1)~~] No marriage shall be solemnized without a license therefor. The license shall be issued by the clerk of the county in which the female resides at the time, unless the female is eighteen (18) years of age or over or a widow, and the license is issued on her application in person or by writing signed by her, in which case it may be issued by any county clerk.

[~~(2) No county clerk shall issue a marriage license except where both persons are sixty (60) years of age or older until the application for a marriage license remains on file, open to the public, in the office of the county clerk, for three (3) days before license is issued. The three-day waiting period shall be waived if both applicants are above the age of sixty (60) years.~~]

Section 2. KRS 402.100 is amended to read as follows:

Each county clerk shall use the [~~following~~] form *prescribed by the department for libraries and archives* when issuing a marriage license. *This form shall provide for the entering of all of the information required in this section, and may also provide for the entering of additional information prescribed by the department for libraries and archives. The form shall consist of:*

(1) A marriage license which provides for the entering of:

(a) An authorization statement of the county clerk issuing the license for any person licensed to perform marriage ceremonies to unite in marriage the persons named;

(b) Vital information for each party, including the full name, date of birth, place of birth, race, condition (single, widowed, or divorced), number of previous marriages, occupation, current residence, relationship to the other party, full names of parents; and

(c) The date and place the license is issued, and the signature of the county clerk or deputy clerk issuing the license.

(2) A marriage certificate which provides for the entering of:

(a) A statement by the person performing the marriage ceremony that the ceremony was performed. The statement shall include the name and title of the person performing the ceremony, the names of persons married, the date and place of the marriage, and the names of two (2) witnesses;

(b) A statement by the person performing the marriage ceremony of his legal qualification under this chapter to perform the ceremony, such statement to include the name of the county or city where his license to perform marriage ceremonies was issued;

(c) A dated signature of the person performing the ceremony; and

(d) A signed statement by the county clerk or a deputy county clerk of the county in which the marriage license was issued that the marriage certificate was recorded. The statement shall indicate the name of the county and the date the marriage certificate was recorded.

(3) A certificate to be delivered by the person performing the marriage ceremony to the parties

married. This certificate shall provide for the entering of:

(a) A statement by the person performing the marriage ceremony that the ceremony was performed. The statement shall include the name and title of the person performing the ceremony, the names of persons married, the date and place of the marriage, the names of two (2) witnesses, and the following information as recorded on the license authorizing the marriage: the date the license was issued, the name of the county clerk under whose authority the license was issued, and the county in which the license was issued; and

(b) A dated signature of the person performing the ceremony.

[~~Marriage License~~

Kentucky ....

To any person licensed to celebrate marriages: You are hereby authorized to join together in the holy state of matrimony, according to the rites and ceremonies of your church or religious denomination and the laws of the Commonwealth of Kentucky .... and .....

Given under my hand, as clerk of .... court of .... County (or City), this .... day of ...., 19...

.... Clerk.

....

Marriage Certificate

Kentucky: In the clerk's office of the ....

court for the County (or City) of ....
Date of marriage ....
Place of marriage ....
Full names of parties ....

Age of husband .... years. Condition (single, widowed or divorced) ....

Age of wife .... years. Condition (single, widowed or divorced) ....
Race ....
Husband's place of birth ....
Residence ....
Wife's place of birth ....
Residence ....
Name of parents ....

Husband ....

and ....

Wife ....

and ....
Occupation of husband ....

Given under my hand this .... day of ...., 19...

.... Clerk.

....
....

Certificate of Time and Place of Marriage

I, ..., a .... of the .... church (or religious order), do certify that on the .... day of ...., 19.., at ...., Kentucky, under authority of the above license, I united in marriage the persons named and described therein. I qualified and gave bond according to the law authorizing me to celebrate the rites of marriage in the County (or City) of ...., State of Kentucky.

Given under my hand this .... day of ...., 19...

....(Person who performed ceremony, sign here.)

Certificate of Person Performing Marriage Ceremony
(to be returned and delivered to the parties married)

I, ..., a .... of the .... church (or religious order), do certify that on the .... day of ...., 19.., at ...., Kentucky, under authority of a license issued by ...., Clerk of .... court of .... County (or City), State of Kentucky, dated the .... day of ...., 19.., I united .... and .... as husband and wife.

Given under my hand this .... day of ...., 19..

....(Person who performed ceremony, sign here.)]

Section 3. KRS 402.110 is amended to read as follows:

The form of marriage license *prescribed* [~~provided~~] in KRS 402.100 shall be uniform throughout this state, and every license blank shall contain the identical words and figures provided in *the form prescribed by* that section. In issuing the license the clerk shall deliver it in its entirety to the licensee. The clerk shall see to it that every blank space required to be filled by the applicants is so filled before delivering it to the licensee.

Section 4. KRS 402.220 is amended to read as follows:

The person solemnizing the marriage or the clerk of the religious society before whom it was solemnized shall within *one (1) month* [~~three (3) months~~] return the license to the county clerk of the county in which it was issued, with a certificate of the marriage over his signature, giving the date and place of celebration and the names of at least two (2) of the persons present.

The Committee Amendment No. 1 to **SB 276** is as follows:

Amend printed copy of **SB 276** on page 1, line 8, after the word "*licensed*" insert: "*or religious society authorized*";

And on page 3, line 5, by inserting after "*issued*" the following: "*or, in the case of religious societies authorized by KRS 402.050(c) to solemnize marriages, the name of the city or county where the religious society is incorporated*".

HB 438, AN ACT relating to the financing of local planning and zoning activities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 100.127 is amended to read as follows:

(1) All agreements for joint or regional planning units shall be in writing, and shall describe the boundaries of the area involved, and shall contain all details which are necessary for the establishment and administration of the planning unit in regard to planning commission organization, preparation of plans, and aids to plan implementation. Approval of the agreement shall be by *resolution* [~~regulation~~] and the agreement shall be executed by the parties to the agreement, and filed in the office of the county clerk of all counties which are parties to the agreement or which contain a city which is a party to the agreement. The county clerk may charge a fee of two and one-half dollars ($2.50) for the filing of the agreement. Combination under this subsection shall be permitted notwithstanding the fact that the governmental units are also involved in area planning under KRS 147.610 to 147.705. Combined planning operations shall be jointly financed, and the agreement shall state the method of proration of financial support. *Pursuant to Section 3 of this Act, the legislative body of any city, county or urban-county government may levy a tax not exceeding five cents (5) upon each one hundred dollars ($100) of assessed valuation of property within the city, county or urban-county government affected, for the purposes of financing, in whole or in part, any joint or regional planning operations, including but not limited to, planning commission operations and activities, plan preparation, and zoning administration.*

(2) Agreements for planning units shall be in existence as long as at least two (2) of the original signators are operating under the combination despite the fact that other signators have withdrawn from the unit. In addition, any enlargement of a unit may be accomplished under the existing agreement by filing a copy of the agreement in the office of the county clerk of all member counties along with a statement as to when it was admitted to the unit. The clerk may charge a fee of two and one-half dollars ($2.50) for the filing.

(3) If the planning unit, or any part thereof, has adopted regulations for historical districts under KRS 100.201 and 100.203, the planning agreement may provide for the creation of a three (3) or five (5) member board to advise the zoning administrator regarding issuance of permits in such districts, the board being guided by the standards and restrictions of the community's comprehensive plan and by the historical district regulations adopted by the planning unit.

Section 2. KRS 100.177 is amended to read as follows:

The legislative bodies in the planning unit may appropriate out of general revenues for the expenses and accommodations necessary for the work of the commission, *and pursuant to Section 3 of this Act, the legislative body of any city, county or urban-county government in a planning unit may levy a tax not exceeding five cents (5) upon each one hundred dollars ($100) of assessed valuation of property within the city, county or urban-county government affected, for the purposes of financing, in whole or in part, the costs of planning and zoning operations and activities.* Any planning commission shall have the right to receive, hold, and spend funds which it may legally receive from any and every source both in and out of the commonwealth of Kentucky, including the United States government, for the purpose of carrying out the provisions of this chapter. All bylaws shall describe the method for administration of funds, and an annual audit shall be performed of all receipts, expenditures, and funds on hand by an official of any city or county which is a member of the unit, or by an accountant. The report of every audit, including financial statements, shall be kept in the same manner prescribed in this chapter for other records.

SECTION 3. A NEW SECTION OF KRS 100.331 TO KRS 100.991 IS CREATED TO READ AS FOLLOWS:

(1) Notwithstanding the provisions of KRS 68.245 and 132.027 respecting compensating tax rates, the legislative body of any city, county or urban-county government, except as provided in subsection (2) of this section, may levy a special property tax not exceeding five cents (5) upon each one hundred dollars ($100) of assessed valuation of property within the city, county or urban-county government affected, to finance, in whole or in part, the planning and zoning functions and activities of the planning unit to which the city, county or urban-county government belongs. The levy shall be imposed by ordinance.

(2) If the fiscal court of a county has entered into a joint planning agreement pursuant to KRS 100.121, and the fiscal court subsequently levies a tax pursuant to subsection (1) of this section, then no city within the county may levy such tax until such time as the county fiscal court repeals its levy.

(3) Prior to final passage of an ordinance levying the special tax as provided in subsection (1) of this section, the legislative body imposing such tax shall hold at least one (1) public hearing on the proposed levy. Public notice of the hearing shall be in accordance with the provisions of KRS Chapter 424.

(4) When the legislative body of a city, county or urban-county government has enacted an ordinance levying a special tax pursuant to subsections (1) and (3) of this section, and when a petition protesting the levy is signed by a number of registered and qualified voters equal to twenty-five percent (25%) of the voters voting in the last presidential election and is presented to the county clerk or his authorized deputy or to the legislative body of such city, county or urban-county government, then the legislative body shall cause the question as to whether such tax levy shall be repealed, to be submitted to the voters of such city, county or urban-county government at the next regular election. The question shall be so framed that the voter may by his vote answer "for" or "against." If a majority of the votes cast upon the question are "for" repeal, then the tax levy shall be repealed. If a majority of votes cast upon the question are "against" repeal, then the tax levy shall not be repealed. The board or boards of registration in the county shall give necessary and appropriate aid to the county clerk so that he may make conclusive determination of whether the petition contains enough valid signatures to require election.

(5) Nothing contained in Sections 1, 2 and 3 of this Act shall be so construed as to prohibit any city, county or urban-county government from providing any funds to finance, in whole or in part, local planning and zoning functions and operations, nor shall any city, county or urban-county government levying a tax pursuant to subsection (1) of this section be prohibited from appropriating additional funds to finance and to support its local planning and zoning operations and functions.

The Committee Substitute to **HB 438** is as follows:

HB 438, AN ACT relating to the financing of local planning and zoning activities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 100.117 is amended to read as follows:

(1) Any city, [~~or~~] county, *or urban-county government* may *create and* establish *by ordinance* a planning program as an independent operation *and may provide for the financing of such independent planning operation pursuant to Sections 4 and 5 of this Act* [~~if the following required procedure is unsuccessful in establishing a joint planning unit encompassing the county and cities therein~~].

(2) Whenever any city, county or urban-county government creates an independent planning unit, the boundaries of the planning unit shall be coterminous with the political boundaries of the creating entity; provided, however, the territory of any incorporated city within a county shall not be included within the boundaries of an independent planning unit which has been created by such county. [~~(1) A city shall interrogate the county and every other city therein to determine whether they desire to enter into an agreement~~

~~to form a joint planning unit. The interrogation shall be in writing, addressed to the various legislative bodies stating proposed reasonable terms for combination and the reasoned purpose and objectives. The political subdivisions which have been interrogated shall have sixty (60) days in which to answer in writing and the city may assume that the answer is negative if no response is received within the sixty (60) days. If the county answers in the negative, then the city may engage in an independent planning operation. If the county responds affirmatively, then a joint planning unit shall be established, and no city located in such county may form an independent planning unit. If a city has been operating under an agreement under which its planning operations have been combined with one (1) or several counties or cities and the combination is broken, then it shall follow the procedure set forth in this subsection before it engages in an independent planning operation.~~

~~(2) A county shall interrogate every incorporated city within its boundaries and otherwise be subject to following the procedure established for an independent city operation.~~]

Section 2. KRS 100.121 is amended to read as follows:

(1) At any time, the legislative bodies of cities and the fiscal court of the county containing the cities may enter into an agreement to form a joint planning unit by combining planning operations in order that they may carry out a joint city-county planning program. Combinations may include any combination of cities with their county or parts thereof[~~; Provided, however, That no self-excluded city in such county may form an independent planning unit~~].

(2) When a planning unit includes a county and a city of the first class, then all other cities within the county shall also be parts of the unit.

(3) Whenever the legislative body of any county which is a signatory of a joint planning unit agreement levies a special property tax as provided in Section 5 of this Act, any property located within any incorporated area within the county shall not be subject to such special property tax levied by such county.

Section 3. KRS 100.127 is amended to read as follows:

(1) All agreements for joint or regional planning units shall be in writing, and shall describe the boundaries of the area involved, and shall contain all details which are necessary for the establishment and administration of the planning unit in regard to planning commission organization, preparation of plans, and aids to plan implementation. Approval of the agreement shall be by *resolution* [~~regulation~~] and the agreement shall be executed by the parties to the agreement, and filed in the office of the county clerk of all counties which are parties to the agreement or which contain a city which is a party to the agreement. The county clerk may charge a fee of two and one-half dollars ($2.50) for the filing of the agreement. Combination under this subsection shall be permitted notwithstanding the fact that the governmental units are also involved in area planning under KRS 147.610 to 147.705. Combined planning operations shall be jointly financed, and the agreement shall state the method of proration of financial support. *The legislative body of any city, county or urban-county government that is a signatory to a joint or regional planning agreement, may provide for that governmental unit's share of the combined financial support from funds available to such governmental unit, including, but not limited to, tax revenues as provided in Section 5 of this Act.*

(2) Agreements for planning units shall be in existence as long as at least two (2) of the original signators are operating under the combination despite the fact that other signators have withdrawn from the unit. In addition, any enlargement of a unit may be accomplished under the existing agreement by filing a copy of the agreement in the office of the county clerk of all member counties along with a statement as to when it was admitted to the unit. The clerk may charge a fee of two and one-half dollars ($2.50) for the filing.

(3) If the planning unit, or any part thereof, has adopted regulations for historical districts under KRS 100.201 and 100.203, the planning agreement may provide for the creation of a three (3) or five (5) member board to advise the zoning administrator regarding issuance of permits in such districts, the board being guided by the standards and restrictions of the community's comprehensive plan and by the historical district regulations adopted by the planning unit.

Section 4. KRS 100.177 is amended to read as follows:

The legislative bodies in the planning unit may appropriate out of general revenues for the expenses and accommodations necessary for the work of the commission, *and pursuant to Section 5 of this Act, the legislative body of any city, county or urban-county government in a planning unit may levy a tax for the purposes of financing, in whole or in part, the costs of planning and zoning operations and activities.* Any planning commission shall have the right to receive, hold, and spend funds which it may legally receive from any and every source both in and out of the commonwealth of Kentucky, including the United States government, for the purpose of carrying out the provisions of this chapter. All bylaws shall describe the method for administration of funds, and an annual audit shall be performed of all receipts, expenditures, and funds on hand by an official of any city or county which is a member of the unit, or by an accountant. The report of every audit, including financial statements, shall be kept in the same manner prescribed in this chapter for other records.

SECTION 5. A NEW SECTION OF KRS 100.331 TO KRS 100.991 IS CREATED TO READ AS FOLLOWS:

(1) Notwithstanding the provisions of KRS 68.245 and 132.027 respecting compensating tax rates, the legislative body of any city, county or urban-county government, that has established an independent

planning unit as provided in KRS 100.117, or that has entered into a joint planning agreement pursuant to KRS 100.121, or that has entered into a regional planning agreement pursuant to KRS 100.123, may levy, subject to the provisions of subsections (2), (3), (4) and (5) of this section, a special property tax not exceeding two cents (2) upon each one hundred dollars ($100) of assessed valuation of property within the city, county or urban-county government affected, to finance, in whole or in part, the planning and zoning functions and activities of the planning unit to which the city, county or urban-county government belongs. The levy shall be imposed by ordinance, and such levy shall go into effect forty-five (45) days after passage of such ordinance.

(2) If the fiscal court of a county levies a tax pursuant to subsection (1) of this section, then such tax shall be levied only upon property located within the unincorporated territory of such county. If the legislative body of any city or urban-county government levies a tax pursuant to subsection (1) of this section, then the tax shall be levied only upon property within the territory of such city or urban-county government.

(3) Prior to passage of an ordinance levying the special tax as provided in subsection (1) of this section, the legislative body proposing to levy such tax shall hold at least one (1) public hearing on the proposed levy. Public notice of the hearing shall be in accordance with the provisions of subsection (4) of this section.

(4) Pursuant to subsection (3) of this section, public notice shall be published twice in two (2) consecutive weeks prior to the public hearing in the newspaper having the largest circulation in the taxing district, provided that the second notice shall be published not less than seven (7) days nor more than ten (10) days prior to the date of the public hearing. Notice shall be by a display type advertisement of not less than twelve (12) column inches, and shall include the following:

(a) Purpose of the hearing;

(b) Proposed tax rate to be levied, and the amount of revenue to be produced at that rate;

(c) Date, time and place of hearing; and

(d) A statement to the effect that the general assembly has required publication of the adverisement and information contained therein.

(5) When the legislative body of a city, county or urban-county government has adopted an ordinance levying a special tax pursuant to this section, then such legislative body shall, within seven (7) days following the adoption of such ordinance, cause to be published in the newspaper of largest circulation in the taxing district a display type advertisement of not less than twelve (12) column inches stating that:

(a) The legislative body has adopted such ordinance;

(b) The tax levy is subject to recall; and

(c) The name, address and telephone number of the county clerk of the county or urban-county in which the taxing district is located, with a notation to the effect that that official can provide the necessary information about the petition required to initiate recall of the tax levy.

If during the forty-five (45) days next following passage of the ordinance levying such tax, a petition signed by a number of registered and qualified voters equal to twenty-five percent (25%) of the voters voting in the last presidential election is presented to the county clerk or his authorized deputy or to the legislative body of such city, county or urban-county government, then the tax levy shall be suspended from going into effect until after an election shall have been held on the question as to whether such tax levy shall be repealed. The legislative body of such city, county or urban-county government shall cause the question as to whether such tax levy shall be repealed, to be submitted to the voters of such city, county or urban-county government at the next regular election. The question shall be so framed that the voter may by his vote answer whether he is "for" or "against" the tax. If a majority of the votes cast upon the question are "for" the tax, then the levy shall not be repealed and the ordinance shall go into effect. If a majority of the votes cast are "against" the tax, then the tax levy shall be repealed and the ordinance shall not go into effect. The board or boards of registration in the county shall give necessary and appropriate aid to the county clerk so that he may make conclusive determination of whether the petition contains enough valid signatures to require election.

(6) Nothing contained in this Act shall be construed as prohibiting any city, county or urban-county government from providing any funds to finance, in whole or in part, local planning and zoning functions and operations, nor shall any city, county or urban-county government levying a tax pursuant to this section be prohibited from appropriating additional funds to finance and to support its local planning and zoning operations and functions.

SECTION 6. A NEW SECTION OF KRS 100.331 to KRS 100.991 IS CREATED TO READ AS FOLLOWS:

Nothing contained in this Act shall be construed as prohibiting any planning commission or any city, county or urban-county government from contracting for planning and zoning services. Nor shall any city, county or urban-county government be prohibited from using any portion of the proceeds accruing to such entity from a special tax as provided in Section 5 of this Act, to pay for such contracted services.

The Committee on Labor and Industry reported **HB 770, HB 802** with Committee Amendment attached thereto, and **HB 854** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 770, AN ACT relating to workers' compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 342.710 is amended to read as follows:

(1) One of the primary purposes of this chapter shall be restoration of the injured employe to gainful employment. To this end there is hereby created a rehabilitation panel which shall be composed of the director and specialists in medical and vocational rehabilitation to be appointed by the board.

(2) The panel shall continuously study the problems of rehabilitation, both physical and vocational, and shall investigate and maintain a directory of all rehabilitation facilities, both private and public. The board in consultation with the panel, shall approve as qualified such facilities, institutions and physicians as are capable of rendering competent rehabilitation service to seriously injured employes. No facility or institution shall be considered as qualified unless it is specifically equipped to provide rehabilitation services for persons suffering either from some specialized type of disability or general type of disability within the field of occupational injury and is staffed with trained and qualified personnel, and with respect to physical rehabilitation, unless it is supervised by a physician qualified to render such service. No physician shall be considered qualified unless he has had the experience and training specified by the board.

(3) An employe who has suffered an injury covered by this chapter shall be entitled to prompt medical rehabilitation services for whatever period of time necessary to accomplish physical rehabilitation goals which are feasible, practical, and justifiable. When as a result of the injury he is unable to perform work for which he has previous training or experience, he shall be entitled to such vocational rehabilitation services, including retraining and job placement, as may be reasonably necessary to restore him to suitable employment. In all such instances, the board shall inquire whether such services have been voluntarily offered and accepted. The board on its own motion, or upon application of any party or carrier, after affording the parties an opportunity to be heard, may refer the employe to a qualified physician or facility for evaluation of the practicability of, need for, and kind of service, treatment or training necessary and appropriate to render him fit for a remunerative occupation. Upon receipt of such report, and after affording the parties an opportunity to be heard by the panel, the board, in consultation with the panel, may order that the services and treatment recommended in the report, or such other rehabilitation treatment or service the board may deem necessary, be provided at the expense of the defendants as apportioned in the award. Vocational rehabilitation training, treatment or service shall not extend for a period of more than fifty-two (52) weeks except in unusual cases when by special order of the board, after hearing and upon a finding, determined by sound medical evidence which indicates such further rehabilitation is feasible, practical and justifiable, the period may be extended for additional periods.

(4) Where rehabilitation requires residence at or near the facility or institution, away from the employe's customary residence, reasonable cost of his board, lodging or travel shall be paid for by the defendants.

(5) Refusal to accept rehabilitation pursuant to an order of the board shall result in a fifty percent (50%) loss of compensation for each week of the period of refusal.

(6) The board and the rehabilitation panel shall cooperate on a reciprocal basis with the Kentucky *office* [~~bureau~~] of rehabilitation [~~services~~] of the department of education and the employment services of the Kentucky cabinet for human resources. *In the event medical treatment, medical rehabilitation services, or vocational rehabilitation services are purchased for an injured employe by the office of vocational rehabilitation or department for employment services following the defendant's refusal to provide such services, the board, after affording the parties an opportunity to be heard, may order reimbursement of the cost of such treatment or services by the defendants as apportioned in the award.*

HB 802, AN ACT relating to the designation of the coon hound as the official state dog of the Commonwealth of Kentucky.

WHEREAS, the coon hound, that bugle voiced denizen of the fields and forests of the Commonwealth, is most representative of the many hundreds of canine species indigenous to Kentucky; and

WHEREAS, this breed, whether of the variety red bone, blue tick, black and tan, or walker, exhibits so many desirable qualities as to render its depiction as a state symbol most suitable and appropriate; and

WHEREAS, its intelligence, strength, good natured disposition, loyalty, and lean, efficient appearance make the coon hound a most admirable model toward which all Kentuckians may look with pride as their official canine; and

WHEREAS, in this doggone, dog-eat-dog, dog eared, dogged, dog faced, dog legged, doggish dog fight known as life seldom does so pure and uncluttered a symbol as the lovable coon hound offer itself for all to admire;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 2 IS CREATED TO READ AS FOLLOWS:
The coon hound is named and designated as the Kentucky state dog.
SECTION 2. A NEW SECTION OF KRS CHAPTER 2 IS CREATED TO READ AS FOLLOWS:
Compliance with this Act shall not affect existing supplies of state promotional materials.
SECTION 3. A NEW SECTION OF KRS CHAPTER 2 IS CREATED TO READ AS FOLLOWS:
The state coon hound shall be officially referred to as "Old Blue."

The Committee Amendment No. 1 to **HB 802** is as follows:

Amend printed copy of **HB 802,** on page 2, line 2, by inserting the word "*Walker*" before the word "*coon*"

On page 2, line 11, by deleting "*Old Blue*" and by inserting in lieu thereof "*Hustler*"

HB 854, AN ACT relating to child labor.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 339.210 is amended to read as follows:

As used in KRS 339.220 to 339.450 "gainful occupation" does not include employment in farm work or in domestic service in a private home, nor occasional employment by a householder in connection with the household and not in connection with the householder's business or occupation, such as grass cutting or carrying ashes or similar casual domestic tasks, nor the delivery of newspapers on regularly scheduled routes, *nor to employment as an actor or performer in motion pictures or theatrical productions, or in radio or television productions, nor to employment of minors by their own parents or persons standing in the place of a parent in occupations other than manufacturing, mining, or those found by the commissioner of labor to be particularly hazardous.*

Section 2. KRS 339.230 is amended to read as follows:

A minor who has passed his fourteenth birthday but is under eighteen (18) years of age may be employed, permitted or suffered to work in, about or in connection with any gainful occupation, except:

(1) If he is under sixteen (16) years of age, he may not be employed during regular school hours, unless:

[~~(a) He has been granted a special employment certificate in accordance with the provisions of KRS 339.290; or,~~]

(a)[~~(b)~~] The school authorities have made arrangements for him to attend school at other than the regular hours, in which event he may be employed subject to regulations of the commissioner of labor during such of the regular school hours as he is not required to be in attendance under the arrangement; or,

(b)[~~(c)~~] He has graduated from high school.

(2) A minor who has passed his fourteenth birthday but is under eighteen (18) years of age, may not be employed, permitted or suffered to work:

(a) In any place of employment or at any occupation, that the commissioner of labor shall determine to be hazardous or injurious to the life, health, safety or welfare of such minor*;*[~~.~~]

(b) More than the number of days per week, nor more than the number of hours per day that the commissioner of labor shall determine to be injurious to the life, health, safety or welfare of such minor. The commissioner of labor in promulgating these regulations may make them more restrictive than those promulgated by the U.S. secretary of labor under provisions of the fair labor standards act and its amendments, but in no event may he make them less restrictive*; and*[~~.~~]

(c) During the hours of the day that the commissioner of labor shall determine to be injurious to the life, health, safety or welfare of such minor. The commissioner of labor in promulgating these regulations may make them more restrictive than those promulgated by the U.S. secretary of labor under provisions of the fair labor standards act and its amendments but in no event may he make them less restrictive.

(d) In, about or in connection with any establishment where alcoholic liquors are distilled, rectified, compounded, brewed, manufactured, bottled, sold for consumption or dispensed *unless permitted by the rules and regulations of the alcoholic beverage control board* (except he may be employed in places where the sale of alcoholic beverages by the package is merely incidental to the main business actually conducted); or in a pool or billiard room.

(3) The commissioner of labor shall promulgate regulations to properly protect the life, health, safety or welfare of minors. He may consider sex, age, premises of employment, substances to be worked with, machinery to be operated, number of hours, hours of the day, nature of the employment and other pertinent factors. The commissioner of labor in promulgating these regulations may make them more restrictive than those promulgated by the U.S. secretary of labor under provisions of the fair labor standards act and its amendments but in no event may he make them less restrictive, provided, however, these regulations shall have no effect on the definition of "gainful occupation" under KRS 339.210. To advise the commissioner with respect to the regulations, the governor shall appoint a committee of four (4) persons which shall consist of a representative from the Cabinet for Human Resources, the Department of Education, the Kentucky Commission on Human Rights and the Department of Personnel. The regulations promulgated in accordance with this section shall be reviewed by such committee *whenever deemed necessary by the commissioner of labor* [~~at least once each fiscal year~~].

Section 3. KRS 339.250 is amended to read as follows:

No person shall furnish or sell to any minor any article of any description with the knowledge that the minor intends to sell said article in violation of KRS 339.210 to 339.450. No person shall continue to furnish or sell articles of any description to a minor after having received written notice from any officer charged with the enforcement of KRS 339.210 to 339.450, [~~or from the officer issuing employment certificates,~~] that the minor is not permitted to sell such articles.

Section 4. KRS 339.360 is amended to read as follows:

Upon request, it shall be the duty of the *local board of education through its superintendent or other authorized agent* [~~officer authorized to issue employment certificates~~] to issue to any minor *under* [~~between~~] the *age* [~~ages~~] of eighteen (18) [~~and twenty-one (21)~~] years desiring to enter employment a certificate of age upon presentation of [~~the same~~] proof of age [~~as is required for the issuance of employment certificates under KRS 339.210 to 339.450~~]. *Every employer shall be required to obtain from any employe proof of age that the employe is at least eighteen (18) years of age.*

Section 5. KRS 339.370 is amended to read as follows:

A [~~An employment certificate or~~] certificate of age duly issued shall be conclusive evidence of the age of the minor for whom issued in any proceeding involving the employment of the minor under the child labor or *workers'* [~~workmen's~~] compensation law or any other labor law of the state, as to any act occurring subsequent to its issuance.

Section 6. KRS 339.450 is amended to read as follows:

(1) It shall be the duty of the department of labor and of the inspectors and agents of said department, with the assistance of the school directors of pupil personnel, police officers and juvenile session of district court probation officers, to enforce the provisions of KRS 339.210 to 339.450, to make complaints against persons violating the provisions of those sections, and to prosecute violations thereof. The department of labor, its inspectors and agents shall have authority to enter and inspect at any time any place or establishment covered by KRS 339.210 to 339.450, and to have access to *age* [~~employment~~] certificates kept on file by the employer and such other records as may aid in the enforcement of KRS 339.210 to 339.450. School directors of pupil personnel are likewise empowered to visit and inspect places where minors may be employed, and shall report any cases of employment that they find in violation of KRS 339.210 to 339.450 to the department of labor.

(2) Any person authorized to enforce KRS 339.210 to 339.450 may require an employer of a minor for whom an *age* [~~employment~~] certificate is not on file either to furnish him within ten (10) days the evidence [~~required for an employment certificate~~] showing that the minor is at least eighteen (18) years of age or to cease to employ or permit or suffer such minor to work. Proof of the making of such demand and of failure to deliver such proof of age shall be prima facie evidence, in any prosecution brought for violation of KRS 339.210 to 339.450, that such minor is under eighteen (18) years of age and is unlawfully employed.

Section 7. KRS 339.990 is amended to read as follows:

Whoever employs or permits or suffers any minor to be employed or to work in violation of KRS 339.210 to 339.450, or of any order or ruling issued under the provisions thereof, or obstructs the department of labor, its officers, or agents, or any other person authorized to inspect places of employment under KRS 339.210 to 339.450, or whoever, having under his control or custody any minor, permits or suffers him to be employed or to work in violation of KRS 339.210 to 339.450, or who sells to a minor any article with the knowledge that the minor intends to sell said article in violation of KRS 339.210 to 339.450 shall be fined not less than *one hundred dollars ($100)* [~~twenty-five dollars ($25)~~] nor more than *one thousand dollars ($1,000)* [~~one hundred dollars ($100)~~]. Every employer who continues to employ a minor in violation of KRS 339.210 to 339.450 after he has been notified by the department of labor, its officers or agents, shall be fined *one hundred dollars ($100)* [~~twenty-five dollars ($25.00)~~] for each day the violation continues and the employment of any minor in violation of KRS 339.210 to 339.450 shall with respect to each minor so employed constitute a separate and distinct offense.

Section 8. The following KRS sections are repealed:
339.280 Employment certificates required.
339.290 Kinds of employment certificates -- Special certificates for minors incapable of profiting from schooling.
339.300 Who to issue certificates -- Rules as to form and conditions.
339.310 Regulations for issuance of employment and age certificates -- Furnishing of blank forms -- Duplicates.
339.320 Denial of certificate.
339.330 Revocation or cancellation of certificate.
339.340 Application for certificate -- What must contain -- Evidence of age -- Physical examination -- School record.
339.350 No fee for certificate -- Contents of certificate -- Issuance in triplicate.
339.380 Part-time schools.
339.390 Duties of employer with respect to certificate -- Certificate valid only for designated employment -- Evidence of illegal employment.
339.410 Female employes not to be kept standing constantly.
339.420 Limewashing or painting walls and ceilings of work places.
339.440 Safeguards for machinery.

The Committee on Transportation reported **HB 342, HB 651** with Committee Amendment attached thereto, **HB 801** with Committee Amendment attached thereto, **HB 869, HB 939** with Committee Amendment attached thereto, **HB 968, HJR 10,** and **SB 257** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 342, AN ACT relating to the railroad commission.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 276.060 is amended to read as follows:

(1) The office of the railroad commission shall be at the seat of government.

(2) The commission may appoint a secretary, a stenographer, and such other employes as it may find necessary to the proper performance of its duties and fix the compensation of such employes within the annual appropriation of said commission by the legislature.

(3) The chairman of the commission shall receive a salary of *ten thousand dollars ($10,000)* [~~three thousand six hundred dollars ($3,600)~~] per annum, and each of the other commissioners shall receive a salary of *nine thousand dollars ($9,000)* [~~three thousand dollars ($3,000)~~] per annum. Each commissioner shall receive his actual, necessary traveling expenses while engaged in the discharge of his duties.

(4) The members and employes of the railroad commission, when in the performance of their official duties, shall have the right to free transportation between points in this state on all vehicles of common carriers subject in whole or in part to control or regulation by the commission. Each carrier shall issue to the state, for the use of each member and employe of the commission, written or printed authority entitling them to be transported free of charge over the lines of the carrier when engaged in the discharge of their official duties.

HB 651, AN ACT relating to municipal roads.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 177.365 is amended to read as follows:

(1) On and after July 1, 1980, six and seven-tenths percent (6.7%) of all amounts received from the imposition of the taxes provided for in KRS 138.220, 138.565, 138.660 (1) and (2) and 234.320 shall be set aside by the *department of highways* [~~finance and administration cabinet~~] for the construction, reconstruction and maintenance of urban roads and streets and for no other purpose.

(2) As used in this section unless the context requires otherwise "construction," "reconstruction," and "maintenance" mean the supervising, inspecting, actual building, and all expenses incidental to the construction, reconstruction, or maintenance of a road or street, including planning, locating, surveying, and mapping or preparing roadway plans, acquisition of rights-of-way, relocation of utilities, lighting and the elimination of other hazards such as roadway grade crossings, and all other items defined in the department

of highways, design, operations, and construction manuals.

(3) "Urban roads" mean all public ways lying within the limits of the unincorporated urban place as described by the bureau of census tracts.

(4) "Streets" mean all public ways which have been designated by the incorporated city as being city streets and said streets lying within the boundaries of an incorporated city.

Section 2. KRS 177.366 is amended to read as follows:

(1) On and after July 1, 1980, the department of *highways* [~~finance~~] shall allocate to each incorporated city and "unincorporated urban place" its pro rata share of the funds set apart for construction, reconstruction, and maintenance of urban roads and streets on the basis of the ratio which the population in said incorporated cities and in "unincorporated urban places" bears to the total population in incorporated cities and in "unincorporated urban places" of the state. "Unincorporated urban places" as used here means an area outside of incorporated cities which area has a population of 2,500 or more as shown by the most recent decennial census of the United States bureau of the census, and all populations shall be determined by the most recent decennial census of the United States.

(2) Any area which becomes incorporated after December 31, 1970, shall not be eligible to participate in the municipal aid program until the beginning of the second fiscal year following its incorporation and population certification. It shall be the responsibility of the newly incorporated area to provide the department of *highways* [~~finance~~] with documentation from the United States bureau of the census showing the population of the newly incorporated area as it existed at the time of the last decennial census.

(3) In the event the newly incorporated area cannot obtain a population count from the bureau of the census, it shall not be eligible to participate in the municipal aid program until the next decennial census.

(4) If an incorporated city, whose incorporation took place prior to December 31, 1970, annexes additional area, the population of the annexed area will not be counted in the allocation of municipal aid funds until the beginning of the second fiscal year following annexation and population certification.

(5) It shall be the responsibility of the incorporated city to provide the department of *highways* [~~finance~~] with documentation from the United States bureau of the census showing the population for the annexed area as it existed at the time of the last decennial census.

(6) In the event the incorporated area cannot obtain a population count from the bureau of the census, the annexed area's population will not be eligible to be counted in the distribution of the municipal aid fund. However, the streets included in the annexed areas will be eligible to receive work through this program.

(7) Apportionments as required by the provisions of this section shall be made on the basis of revenue estimates supplied by the department of revenue and shall be adjusted quarterly in accordance with the most recent revision of the estimates by the department of revenue.

Section 3. KRS 177.367 is reenacted and amended to read as follows:

(1) On and after July 1, 1973, the *department* [~~bureau~~] of highways, through a duly authorized representative, shall at least once each year consult with the chief executive officer and legislative body of incorporated areas and the county judge/executive and fiscal court of "unincorporated urban places" within which moneys are to be allocated under KRS 177.366 for the purpose of receiving recommendations for the selection of urban roads and streets, lying within such areas, for construction, reconstruction and maintenance.

(2) The *department* [~~bureau~~] of highways and the legislative body of an incorporated area or the fiscal court of "unincorporated urban places" shall agree upon the projects to be financed by the urban highway fund during the ensuing fiscal year by agreement signed by the commissioner of highways and the chief executive officer of the incorporated area or the county judge/executive of the "unincorporated urban place."

(3) The *department* [~~bureau~~] of highways shall proceed to construct, reconstruct or maintain or cause to be constructed, reconstructed or maintained the projects agreed to under the provisions of this section. If agreements cannot be reached under this section, the *department* [~~bureau~~] of highways shall make the determination of the projects to be funded by moneys allocated to various incorporated and "unincorporated urban places" under the provisions of KRS 177.365 to *177.369* [~~177.368~~].

Section 4. KRS 177.368 is reenacted and amended to read as follows:

(1) The *department* [~~bureau~~] of highways at the close of each fiscal year or as soon thereafter as practicable, shall furnish to the chief executive officer or legislative body of the incorporated cities, or "unincorporated urban place" participating under the provisions of KRS 177.365 to 177.368, a statement showing the total amount of all disbursements, the unliquidated and unencumbered balances of the funds allocated to the respective incorporated area or "unincorporated urban place" for that fiscal year.

(2) Of the total amount apportioned for urban roads and streets by the provisions of KRS 177.365 to *177.369* [~~177.368~~] a sum not exceeding six percent (6%) may be deducted and placed by the *department* [~~bureau~~] of highways in a special emergency account to be expended at the direction of the commissioner of highways to meet unforeseen emergencies on urban roads and streets; and a sum not exceeding six percent (6%) may be deducted at the beginning of each fiscal year and adjusted quarterly to cover the maintenance,

engineering, administrative and other costs of the urban roads and streets program.

(3) The funds allocated under the provisions of KRS 177.365 to 177.368 to incorporated cities and "unincorporated urban places" shall not lapse but shall carry over to the ensuing fiscal year as continuing appropriations until used to finance the construction, reconstruction and maintenance of urban streets and roads.

(4) The *department* [~~bureau~~] of highways may elect, with the concurrence of the governmental body concerned, to hold funds in reserve from one fiscal year to the next to finance those projects whose estimated costs exceed the annual appropriation of the governmental unit or "unincorporated urban place" concerned.

Section 5. KRS 177.369 is amended to read as follows:

(1) On and after the fiscal year beginning July 1, 1980 and each fiscal year thereafter, the department of *highways* [~~finance~~] shall pay to each incorporated city and county containing an unincorporated urban place its pro rata share of any funds appropriated and any unexpended balance of funds appropriated for construction, reconstruction, and maintenance of urban roads and streets. During each fiscal year, the department of *highways* [~~finance~~] shall make quarterly payments to each such city and county of the funds set aside and allocated pursuant to KRS 177.365 and 177.366.

(2) The expenditure of any money received by the city or county pursuant to the provisions of subsection (1) of this section shall be made solely for the purpose of construction, reconstruction, and maintenance of urban roads and streets set forth in KRS 177.365.

(3) Any city or county which has received any money pursuant to the provisions of subsection (1) of this section shall retain all records of the expenditure of such money for a period of five (5) years and said records shall be subject to audit by the department of *highways* [~~finance~~] for said period of time in order to determine the proper expenditure of said money for the purposes required by KRS 177.365.

The Committee Amendment No. 1 to **HB 651** is as follows:

Amend printed copy of **HB 651** on page 4, line 21, after the "." by adding the following: "*In addition, the department of highways shall furnish a report at the close of each fiscal year to the governor, secretary of transportation and the legislative research commission showing the total amount of all disbursements, the unliquidated and unencumbered balances of funds allocated for all the incorporated areas or "unincorporated urban places" for that fiscal year.*"

On page 5, line 25, after (2) by placing an opening bracket before the word "Of"; and

On page 6, line 10, by placing a closing bracket after "(3)"; and

On page 5, line 25 to page 6, line 10, by striking through all language between the brackets; and

On page 6, line 16, by placing brackets around "(4)" and striking through the same and inserting "*(3)*" in lieu thereof; and

On page 7, line 13, after the "." by inserting the following: "*Any fiscal court receiving municipal aid funds as a result of an "unincorporated urban place" located in said county shall assure the allocation received for said unincorporated urban place be expended for that jurisdiction.*"

HB 801, AN ACT relating to motor vehicle taxes and fees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 186.240 is amended to read as follows:

It shall be the duty of the cabinet to carry out the provisions of KRS 186.005 to 186.260 and in so doing shall:

(1) Prepare and furnish to the clerk in each county a sufficient supply of all forms and blanks provided for in KRS 186.005 to 186.260, provided that the forms for receipts shall be designated for the writing of not less than triplicate copies, the originals of which shall be numbered consecutively for each county; the second and third copies bearing the same number as the original. Receipts to be used as duplicates for lost receipts, as provided in KRS 186.180(1), shall be in duplicate only, and shall not be numbered.

(2) Keep a numerical record of all registration numbers issued in the state, for which they may use the second copy of receipts forwarded by the clerk of each county, and also keep a record of motor or vehicle identification numbers required by KRS 186.160.

(3) Furnish to each clerk, originally each year upon estimate, and thereafter upon requisition at all

times a sufficient supply of plates and other insignia evidencing registration for all classes of vehicles required to be registered. The cabinet shall prescribe a plate of practical form and size for police identification purposes which shall be embossed with the registration number, the word "Kentucky" and the name of the county in which the plate is issued or in lieu thereof the words "Official," "Transportation," "Executive," "Farm," or in the case of plates for commercial vehicles, such words or information as the department of vehicle regulation may by regulation provide and the year for which the license is issued if the year is not evidenced as otherwise provided in this chapter; provided, however, no numerals indicating any year shall be placed upon any license plate issued under and in accordance with the provisions of KRS 186.060, relating to the licensing of vehicles owned exclusively by the state and of KRS 186.061, relating to the licensing of vehicles owned exclusively by any nonprofit volunteer fire department, volunteer fire prevention unit, and volunteer fire protection unit. A state slogan may be placed upon such plate if so desired.

(4) The transportation cabinet shall receive all moneys forwarded by the clerk in each county and turn same over to the state treasurer for the benefit of the state road fund.

(5) The transportation cabinet shall require an accounting by the clerk in each county for any moneys received by him under the provisions of this chapter, after the deduction of his fees under this chapter, and for all receipts, forms, plates and insignia consigned to him. *The department shall audit the clerk in each county annually and shall, within one (1) year of the year audited, either charge the clerk for all monies still owed the state for the year audited, or give the clerk a quietus for the year audited.*

(6) When applied for under KRS 186.160, motor or vehicle numbers assigned shall be distinctive to show that they were designated by the cabinet.

The Committee Amendment No. 1 to **HB 801** is as follows:

Amend printed copy of **HB 801,** on page 3, line 14, after the "." by adding the following: "Section 2. This Act shall become effective on January 1, 1986."

HB 869, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 186.574 is amended to read as follows:

(1) The transportation cabinet shall establish a driver improvement program for traffic offenders. The program shall be composed of uniform education and training elements designed to create a lasting and corrective influence on the driving performance of traffic offenders. District courts may in lieu of assessing penalties for traffic offenses, sentence offenders to said driver improvement program and no other.

(2) Whenever any district court stipulates in its judgment of conviction that a person attend a driver improvement program, the court shall so indicate in the space provided on the abstract of conviction filed with the *transportation cabinet* [~~administrative office of the courts~~]. Upon receipt of such abstract, the *transportation cabinet* [~~administrative office of the courts~~], or its representative, shall forthwith schedule such person to attend a driver improvement program. Failure of such person to attend and satisfactorily complete a driver improvement program in compliance with the court order, may be punished as contempt of the sentencing court.

(3) The transportation cabinet shall supervise, operate and administer said driver improvement program, and shall promulgate such regulations as are necessary relating to facilities, equipment, courses of instruction, instructors and records of the program. In the event a person sentenced under subsection (1) of this section does not attend or satisfactorily complete the prescribed driver improvement program, *the transportation cabinet may deny that person a license or suspend the license of that person until he reschedules attendance or completes the driver improvement clinic, at which time any such denial or suspension shall be rescinded* [~~the administrative office of the courts shall provide a report to the local district court responsible for the sentencing~~].

(4) Persons sentenced to a driver improvement program as provided in this section shall, upon sentencing, pay a fee of fifteen dollars ($15.00) to defray the cost of operating the program.

HB 939, AN ACT relating to motor carriers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 281 IS CREATED TO READ AS

FOLLOWS:

The department may, by regulation, prescribe the working hours and qualifications for drivers and chauffeurs. The department, upon promulgating regulations under this section, shall not impose any standards or conditions which would conflict with the federal laws or regulations.

SECTION 2. A NEW SECTION OF KRS CHAPTER 281 IS CREATED TO READ AS FOLLOWS:

(1) The commissioner may authorize any officer, employe or agent to enter upon, inspect or examine at reasonable times and in reasonable manner the records and properties of persons, to the extent that such records and properties relate to the transportation or shipment of persons or properties upon the public highways of the Commonwealth.

(2) Any such officer, employe or agent shall, upon request, display proper credentials.

(3) In the event any such officer, employe or agent is refused permission to enter upon, inspect and examine the records and properties of persons subject to this section, the officer, employe or agent may obtain a search warrant from any court of competent jurisdiction upon the showing of probable cause that a violation of the motor vehicle laws has occurred, or may occur, which would adversely affect the public health, safety and welfare.

Section 3. KRS 281.730, Working hours of drivers and chauffeurs, is repealed.

The Committee Amendment No. 1 to **HB 939** is as follows:

Amend printed copy of **HB 939** on page 2, lines 8 through 9, after "Section." by deleting the lines in their entirety and inserting the following in lieu thereof:

KRS 281.755 is amended to read as follows:

The commissioner *of vehicle regulation* and representatives of the *division of vehicle enforcement* [~~bureau of state police~~] may at any time or place make an inspection of any motor vehicle operating under the provisions of this chapter. They may enter into and upon any such motor vehicle for the purpose of ascertaining whether or not any provision of this chapter or any order or rule or regulation of the *department* [~~bureau~~] relating to such motor vehicles has been violated. Wilful refusal to stop any such motor vehicle, when ordered to do so by any representative of the *department* [~~bureau~~], or to permit the representative to enter into or upon the motor vehicle for the purpose of inspection, shall be sufficient ground for the revocation or suspension of the certificate or permit of the motor carrier.

Section 4. The following KRS Sections are hereby repealed:

KRS 281.730. Working hours of drivers and chauffers.

KRS 281.770. Commissioning employee of department of state police as law enforcement officers.

HB 968, AN ACT relating to county roads.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 177.320 is amended to read as follows:

(1) Twenty-two and two-tenths percent (22.2%) of all funds arising from the imposition of taxes provided by KRS 138.220, 138.565, 138.660(1) and (2) and 234.320 shall be set aside for the construction, reconstruction and maintenance of secondary and rural roads and for no other purpose, and shall be expended for said purposes by the transportation cabinet of the Commonwealth of Kentucky according to the terms and conditions prescribed in KRS 177.330 to 177.360.

(2) On or after July 1, 1980, fifteen and six-tenths percent (15.6%) of all funds arising from the imposition of taxes provided by KRS 138.220, 138.565, 138.660 and 234.320 shall be set aside for the construction, reconstruction and maintenance of county roads and bridges provided by KRS 179.410 through 179.415.

(3) All funds set aside in subsection (2) of this section for the construction, reconstruction and maintenance of county roads and bridges shall be allocated to the county in accordance with the formula established in KRS 177.360(1) and distributed pursuant to KRS 179.410.

Section 2. KRS 179.400 is amended to read as follows:

(1) The fiscal court of any county receiving state aid shall appropriate sufficient money to keep all county roads in the county in good repair and free from obstructions. The cost of all repairs and removals of

obstruction shall be paid by the treasurer of the county upon the order of the fiscal court, and all bills for repairs or for removal of obstructions shall be verified by affidavit, and shall be certified to be correct by the county engineer.

(2) The fiscal court of any county receiving state aid may, if it deems proper, enter into a cooperative agreement with the department of highways for the construction, reconstruction and maintenance of county roads and bridges. Any cooperative agreement shall designate those roads which the department shall be required to construct, reconstruct or maintain and shall not be in excess of the projected county allotment for any one (1) fiscal year.

HJR 10, A JOINT RESOLUTION directing the Secretary of Transportation to conduct a study and develop cost estimates of proposed highway improvements around Taylorsville Lake.

WHEREAS, the Taylorsville Lake project was authorized by the Flood Control Act of 1966, consisting of approximately 15,400 acres in the Salt River basin of North Central Kentucky; and

WHEREAS, Taylorsville Lake will provide flood control, fish and wildlife preservation and outdoor recreational opportunities for the enjoyment and the health of the citizens of the Commonwealth; and

WHEREAS, the recreational facilities at Taylorsville Lake are presently in the developmental stage; and

WHEREAS, visitation at Taylorsville Lake is expected to be approximately 1,000,000 persons per year; and

WHEREAS, realizing the potential of development of recreational facilities on the southern boundary of the lake is contingent upon easy highway access to these areas;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Secretary of the Transportation Cabinet shall develop cost estimates and plans pertaining to access roads and highways to recreational sites as proposed in the master plan for state highway improvement around Taylorsville Lake, not limited to, but including improvements along the northern and southern areas of the lake.

Section 2. The study shall be completed and reported to the Governor and the General Assembly on or before October 30, 1985.

Section 3. That copies of this resolution shall be forwarded to the Governor, the Commerce Cabinet, the Transportation Cabinet and the Corps of Engineers.

SB 257, AN ACT relating to motor carriers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 281.680 is amended to read as follows:

(1) Under rules and regulations prescribed by the *department* [~~bureau~~], every common carrier or irregular route common carrier, except carriers operating pursuant to a local cartage certificate, taxicab certificate or an industrial bus certificate, shall maintain on file with the *department* [~~bureau~~] a schedule of rates, fares, charges and classifications, and a time schedule, if any, of all motor vehicles operated under a certificate, and shall keep open for public inspection at designated offices so much of such schedules as the *department* [~~bureau~~] deems necessary for public information. The carriers may become a participating party to a tariff published or issued by [~~another carrier or~~] a tariff-issuing agency, and the issuing agent of the tariff *shall* [~~may~~] file the tariff with the *department* [~~bureau~~], but such tariff-issuing agent may not represent any carrier in any matters before the *department* [~~bureau~~]. Notwithstanding the exclusion of carriers operating pursuant to a local cartage certificate, taxicab certificate or an industrial bus certificate, the *department* [~~bureau~~] may by regulation require such carriers to file a schedule of their rates, fares, charges, and classifications.

(2) Under rules and regulations prescribed by the *department* [~~bureau~~], every contract carrier shall maintain on file with the *department* [~~bureau~~] all contracts made for transportation, and shall keep open for public inspection at designated offices such contracts as the *department* [~~bureau~~] deems necessary for public information.

(3) No schedule of rates need be filed for the transportation of any commodity that has been exempted by the *department* [~~bureau~~], except that the *department* [~~bureau~~] may require the filing of a schedule of rates.

(4) The *department* [~~bureau~~] shall have full power concerning the control of rates and contracts under its rules and regulations.

(5) To ensure nondiscriminatory rates, charges, and classifications for all shippers and users of regulated transportation services for which the department prescribes rates, charges, and classifications, the department shall establish collective ratemaking procedures for all commodities and services for which it prescribes rates, charges and classifications. Such procedures shall assure that respective revenues and costs of carriers engaged in the transportation of the particular commodity or service, for which rates are prescribed, are ascertained.

Orders of the Day

Representative Hancock moved that the rules be suspended to adopt a Legislative Citation. Agreed.

Representative Hancock moved the adoption of the following Legislative Citation No. 101. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby extends a warm and cordial welcome to the students of Sendai Student Center, Sendai, Japan. We are very proud and fortunate to have you visit the "Bluegrass State." Your stay will hopefully be a time of learning and enjoyment. We praise the Middletown Methodist Church in Middletown, Ohio, for sponsoring this honorable program to allow individuals from Japan to experience Christian living in the United States.

This body extends our very best wishes for a happy and enjoyable visit in our great state. (Sponsored by Representative Hancock)

HB 553, with Floor Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative LeMaster moved that **HB 553** be passed.

Representative Gray moved the adoption of the Floor Amendment No. 2 to **HB 553**.

On the roll call the vote was yeas 30-Bennett, Blevins, Brinkley, Bronger, Brown, Burnette, Clapp, Cline, Curd, Cyrus, Endicott, Farrow, Gray, Head, Heleringer, Hines, R. Jones, T. Jones, Kenton, Long, Maggard, McNutt, Noe, Noland, Overstreet, Pearman, Priddy, Stone, Van Horn, Williams. Nays 41-Arnold, Bendl, Blandford, Burch, Caldwell, L. Clark, Clarke, Cowan, Craddock, Dawahare, Donnermeyer, Dunn, Foster, Freibert, Fryman, Hancock, Harper, Holbrook, Johnson, Layman, Lefevers, LeMaster, Lile, List, Mann, McElroy, Meyer, Moore, Nett, Petty, Rattliff, Reinhardt, Richards, B. Richardson, Riner, Seum, F. Smith, Stumbo, Thomason, Turner, Worthington.

Floor Amendment No. 2 to **HB 553** was rejected.

Representative LeMaster moved that **HB 553** be passed.

Representative Morris moved the adoption of the Floor Amendment No. 6 to **HB 553**.

On the roll call the vote was yeas 22-Allen, Brinkley, Bruce, Clapp, Crupper, Curd, Endicott, Ford, Gray, Head, Maggard, McNutt, Morris, Noland, Overstreet, Perkins, Rattliff, Robinson, Stone, Turner, Van Horn, Williams. Nays 43-Arnold, Barrows, Bennett, Blandford, Burch, Cline, Cowan, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Guenthner, Hancock, Harper, Holloway, Johnson, R. Jones, Layman, LeMaster, List, Little, Long, Mann, McBee, McElroy, Meyer, Moberly, Nett, Noe, Pearman, Petty, Priddy, Rapier, B. Richardson, Riner, Seum, F. Smith, Stumbo, Thomason.

Floor Amendment No. 6 to **HB 553** was rejected.

Representative LeMaster moved that **HB 553** be passed.

On the roll call the vote was yeas 94-Allen, Arnold, Barrows, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 553 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 553** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 431, with Committee Substitute and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Priddy moved the adoption of the Committee Substitute to **HB 431**. Agreed.

Representative Priddy moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **HB 431**. Agreed.

Representative Priddy moved that **HB 431**, by way of Committee Substitute as amended, be passed.

Representative Morris moved the adoption of the Floor Amendment No. 2 to the Committee Substitute to **HB 431**.

On the roll call the vote was yeas 44-Allen, Blevins, Brinkley, Brown, Bruce, Burnette, Clapp, Cline, Craddock, Crupper, Curd, Dawahare, Deskins, Ellington, Endicott, Farrow, Ford, Fryman, Gedling, Head, Layman, Lefevers, Maggard, McElroy, Moberly, Moore, Morris, Noe, Noland, Patrick, Pearman, Perkins, Rapier, Reinhardt, B. Richardson, P. Richardson, Robinson, Stone, Stumbo, Todd, Van Horn, White, Williams, Worthington. Nays 43-Barrows, Bendl, Blandford, Bronger, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Cyrus, Donnermeyer, Dunn. Gray, Hancock, Handy, Harper, Heleringer, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, LeMaster, Lile, List, Little, Long, Mann, McBee, McNutt, Meyer, Nett, O'Brien, Petty, Priddy, Richards, Riner, Seum, F. Smith, Yates.

Floor Amendment No. 2 to the Committee Substitute to **HB 431** was adopted.

Representative Priddy moved that **HB 431**, by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 83-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Ford, Foster, Gedling, Gray, Guenthner, Handy, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, Little, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moore, Morris, Nett, Noland, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 13-Barrows, Caldwell, J. Clarke, Ellington, Freibert, Fryman, Hancock, Harper, List, Long, Moberly, Noe, O'Brien.

HB 431, by way of Committee Substitute as amended, was passed.

Representative Priddy moved the adoption of the Floor Title Amendment to **HB 431**. Agreed.

HB 538, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Kidd moved the adoption of the Committee Substitute to **HB 538**. Agreed.

Representative Kidd moved that **HB 538**, by way of Committee Substitute, be passed.

On the roll call the vote was yeas 93-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Yates. Nays 2-Dawahare, Worthington.

HB 538, by way of Committee Substitute, was passed and the title agreed to.

Representative Kidd moved that the vote by which **HB 538**, by way of Committee Substitute, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 179, with Committee Substitute and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Blevins moved the adoption of the Committee Substitute to **HB 179**. Agreed.

Representative Blevins moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **HB 179**. Agreed.

Representative Blevins moved that **HB 179**, by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 61-Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Curd, Dawahare, Donnermeyer, Dunn, Endicott, Freibert, Gray, Guenthner, Handy, Head, Hines, Johnson, T. Jones, Kenton, Kidd, LeMaster, Little, Lundergan, Maggard, Mann, McBee, McElroy, Meyer, Moberly, Morris, Nett, Noe, O'Brien, Perkins, Priddy, Rapier, Richards, B. Richardson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Worthington, Yates. Nays 27-Allen, Barrows, Craddock, Crupper, Deskins, Ellington, Farrow, Ford, Fryman, Gedling, Hancock, Harper, Holbrook, Holloway, Layman, Lefevers, Lile, List, Long, McNutt, Noland, Overstreet, Patrick, Pearman, Reinhardt, Robinson, Turner.

HB 179, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 179**, by way of Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 590, as amended by Floor Amendment No. 1, taken from orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Donnermeyer moved that the vote by which Floor Amendment No. 1 to **HB 590** was adopted by reconsidered. Agreed.

Representative Donnermeyer moved the adoption of the Floor Amendment No. 2 to **HB 590**. Agreed.

Representative Donnermeyer moved that **HB 590**, as amended, be passed.

On the roll call the vote was yeas 59-Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, L. Clark, P. Clark, Clarke, Cline, Cowan, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Gedling, Gray, Guenthner, Hancock, Handy, Head, Heleringer, Holbrook, Holloway, Johnson, R. Jones, Kidd, Lile, Little, Long, Lundergan, Maggard, McBee, Meyer, Moore, Nett, Overstreet, Perkins, Petty, Priddy, Rapier, Richards, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, White, Williams, Worthington, Yates. Nays 24-Allen, Burnette, Caldwell, Clapp, Crupper, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Harper, Lefevers, Mann, McNutt, Moberly, Noe, Patrick, Pearman, Rattliff, Reinhardt, B. Richardson, Turner.

HB 590, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 590**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 113, HB 389, HB 519,** and **HB 598,** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time-3:25 p.m.)

HB 113, HB 389, HB 519, and **HB 598** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Orders of the Day (continued)

HB 544 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Deskins moved that **HB 544** be passed.

On the roll call the vote was yeas 82-Arnold, Barrows, Bendl, Bennett, Blandford, Brinkley, Bronger, Brown, Bruce, Burnette, Clapp, L. Clark, P. Clark, Clarke, Cline, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Foster, Gedling, Gray, Guenthner, Hancock, Handy, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Perkins, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, White, Williams, Worthington, Yates. Nays 9-Allen, Caldwell, Freibert, Fryman, Harper, Patrick, Pearman, Reinhardt, Turner.

HB 544 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 544** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 557 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Donnermeyer moved that **HB 557** be passed.

On the roll call the vote was yeas 95-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Endicott, Farrow, Ford, Foster, Freibert, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 557 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 557** was passed be reconsidered and said motion be placed on the table. Agreed.

Speaker Pro Tempore Blandford presiding.

HB 486, with Committee Substitute and Floor Amendments attached thereto, taken from orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Richardson moved the adoption of the Committee Substitute to **HB 486.** Agreed.

Representative B. Richardson moved that **HB 486,** by way of Committee Substitute, be passed.

Representative Barrows moved the adoption of the Floor Amendment No. 3 to the Committee Substitute to **HB 486.** Agreed.

Representative B. Richardson moved that **HB 486,** by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 100-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 486, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative B. Richardson moved that the vote by which **HB 486,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 56, with Committee Substitute, Committee Amendment, and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative O'Brien moved the adoption of the Committee Substitute to **SB 56.** Agreed.

Representative O'Brien moved the adoption of the Floor Amendment No. 4 to the Committee Substitute to **SB 56.** Agreed.

Representative O'Brien moved the adoption of the Floor Amendment No. 8 to the Committee Substitute to **SB 56.** Agreed.

Representative LeMaster moved the adoption of the Floor Amendment No. 10 to the Committee Substitute to **SB 56.** Agreed.

Representative O'Brien moved that **SB 56,** by way of Committee Substitute as amended, be passed.

Representative Nett moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **SB 56.**

On the roll call the vote was yeas 49-Ellen, Bendl, Bennett, Brinkley, Bruce, Burch, Caldwell, Clapp, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Endicott, Ford, Freibert, Gedling, Gray, Guenthner, Hancock, Harper, Head, Heleringer, Hines, R. Jones, Lefevers, LeMaster, Lile, Long, Lundergan, Maggard, McBee, McElroy, Morris, Nett, Noland, Pearman, Rapier, Rattliff, Reinhardt, Stone, Thomas, Thomason, Todd, Turner, Worthington, Nays 27-Blevins, Bronger, L. Clark, P. Clark, Dunn, Ellington, Farrow, Foster, Handy, Holbrook, Holloway, Johnson, Little, Mann, Meyer, Moberly, O'Brien, Patrick, Perkins, Petty, Richards, Robinson, B. Smith, F. Smith, Stumbo, Van Horn, Yates.

Floor Amendment No. 1 to the Committee Substitute to **SB 56** was adopted.

Representative Williams moved the adoption of the Floor Amendment No. 2 to the Committee Substitute to **SB 56.** Rejected.

Representative Brinkley moved that the vote by which the Floor Amendment No. 1 to the Committee Substitute to **SB 56** was adopted be reconsidered.

On the roll call the vote was yeas 47-Blandford, Blevins, Brinkley, Bronger, Brown, Burch, L. Clark, Cline, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Foster, Harper, Holbrook, Holloway, Johnson, Kenton, Layman, Lefevers, List, Little, Lundergan, Maggard, Mann, McBee, Meyer, Moberly, Moore, O'Brien, Perkins, Petty, Reinhardt, Richards, Robinson, Seum, F. Smith, Stumbo, Todd, Turner, White, Worthington, Yates. Nays 40-Allen, Bendl, Bennett, Burnette, Caldwell, Clapp, Clarke, Cowan, Craddock, Crupper, Ellington, Ford, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Head, Heleringer, Hines, R. Jones, Kidd, Lile, Long, McElroy, McNutt, Morris, Nett, Noland, Overstreet, Patrick, Pearman, Rapier, Rattliff, Riner, Stone, Thomason, Van Horn, Williams.

The motion that the vote by which the Floor Amendment No. 1 to the Committee Substitute to **SB 56** was adopted be reconsidered was adopted.

Representative O'Brien moved that **SB 56**, by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 60-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Foster, Handy, Harper, Johnson, Kenton, Layman, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, Meyer, Moberly, Moore, Morris, Noe, O'Brien, Perkins, Petty, Rapier, Reinhardt, Richards, Riner, Robinson, Seum, F. Smith, Stumbo, Thomason, Van Horn, White, Worthington, Yates. Nays 23-Allen, Clarke, Crupper, Endicott, Farrow, Ford, Freibert, Fryman, Guenthner, Hancock, Heleringer, Holbrook, Holloway, R. Jones, Lefevers, McNutt, Nett, Patrick, Pearman, Rattliff, Stone, Todd, Turner.

SB 56, by way of Committee Substitute as amended, was passed.

Representative O'Brien moved the adoption of the Committee Title Amendment to **SB 56**. Agreed.

Representative O'Brien moved that the vote by which **SB 56**, by way of Committee Substitute was amended, was passed be reconsidered and said motion be placed on the table. Agreed.

The Speaker resumed the Chair.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 154** had been examined and found correctly enrolled. Said Bill read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time-4:11 p.m.)

Orders of the Day (continued)

HB 808 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Yates moved that **HB 808** be passed.

On the roll call the vote was yeas 87-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, Meyer, Moberly, Nett, Noe, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington. Yates. Nays 7-Barrows, Farrow, McNutt, Moore, Patrick, Rattliff, Robinson.

HB 808 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 808** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 937, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative P. Richardson moved the adoption of the Committee Amendment No. 1 to **HB 937.** Agreed.

Representative P. Richardson moved that **HB 937,** as amended, be passed.

On the roll call the vote was yeas 83-Arnold, Bendl, Bennett, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Foster, Freibert, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Mann, McBee, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, Overstreet, Patrick, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomason, Todd, Van Horn, White, Williams, Worthington, Yates. Nays 5-Blevins, Farrow, Gedling, Pearman, Turner.

HB 937, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 937,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 644, with Committee Substitute and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Johnson moved and adoption of the Committee Substitute to **HB 644.** Agreed.

Representative Johnson moved that **HB 644,** by way of Committee Substitute, be passed.

Representative Meyer moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **HB 644.**

On the roll call the vote was yeas 44-Barrows, Bendl, Blevins, Burch, L. Clark, Clarke, Cowan, Crupper, Cyrus, Deskins, Donnermeyer, Farrow, Freibert, Gray, Guenthner, Hines, Holbrook, R. Jones, T. Jones, Kenton, LeMaster, Lile, List, Little, Long, Lundergan, Mann, McBee, Meyer, Moberly, Morris, Noe, Overstreet, Perkins, Petty, Rapier, Reinhardt, B. Richardson, F. Smith, Stumbo, Thomas, Turner, White, Williams. Nays 45-Allen, Bennett, Blandford, Brinkley Bronger, Brown, Burnette, Caldwell, Clapp, P. Clark, Cline, Craddock, Curd, Dawahare, Dunn, Ellington, Endicott, Ford, Foster, Fryman, Gedling, Hancock, Handy, Harper, Heleringer, Johnson, Kidd, Layman, McElroy, McNutt, Moore, Nett, Noland, Patrick, Pearman, Rattliff, Richards, Riner, Robinson, Seum, B. Smith, Thomason, Todd, Van Horn, Yates.

Floor Amendment No. 1 to the Committee Substitute to **HB 644** was rejected.

Representative Johnson moved that **HB 644,** by way of Committee Substitute, be passed.

Representative Farrow moved that **HB 644,** by way of Committee Substitute, be laid on the Clerk's desk.

On the roll call the vote was yeas 29-Barrows, Bendl, Blevins, Clarke, Cowan, Cyrus, Deskins, Farrow, Gray, Hines, R. Jones, T. Jones, LeMaster, List, Long, Mann, McBee, McElroy, Meyer, Moberly, Noe, Overstreet, Perkins, Petty, B. Richardson, Stumbo, Thomas, White, Williams. Nays 66-Allen, Bennett, Blandford, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, L. Clark, P. Clark, Cline, Craddock, Crupper, Curd, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Ford, Foster, Freibert, Fryman, Gedling, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Holbrook, Holloway, Johnson, Kenton, Kidd, Layman, Lefevers, Lile, Little, Lundergan, Maggard, McNutt, Moore, Morris, Nett, O'Brien, Patrick, Pearman, Priddy, Rapier, Rattliff, Reinhardt, Richards, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Thomason, Todd, Turner, Van Horn, Worthington, Yates.

The motion that **HB 644,** by way of Committee Substitute, be laid on the Clerk's desk was rejected.

Representative Stumbo moved that **HB 644**, by way of Committee Substitute, be recommitted to the Committee on Judiciary Civil.

On the roll call the vote was yeas 25-Barrows, Bendl, Blevins, Clarke, Cyrus, Dawahare, Deskins, Hines, R. Jones, T. Jones, Kenton, LeMaster, List, Long, Mann, McBee, McElroy, Meyer, Moberly, Noe, Overstreet, Perkins, Stumbo, White, Williams. Nays 66-Allen, Bennett, Blandford, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, L. Clark, P. Clark, Cline, Craddock, Crupper, Curd, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Holbrook, Holloway, Johnson, Kidd, Layman, Lefevers, Lile, Lundergan, Maggard, McNutt, Moore, Morris, Nett, Noland, O'Brien, Patrick, Pearman, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, Stone, Thomas, Thomason, Todd, Turner, Van Horn, Worthington, Yates.

The motion that **HB 644**, by way of Committee Substitute, be recommitted to the Committee on Judiciary-Civil was rejected.

Representative Johnson moved that **HB 644**, by way of Committee Substitute, be passed.

On the roll call the vote was yeas 83-Allen, Arnold, Bennett, Blandford, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Holbrook, Holloway, Johnson, R. Jones, Kenton, Kidd, Layman, Lefevers, Lile, List, Little, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Moore, Morris, Nett, Noland, O'Brien, Overstreet, Patrick, Pearman, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Thomas, Thomason, Turner, Van Horn, Worthington, Yates. Nays 14-Barrows, Bendl, Blevins, Clarke, Deskins, Hines, T. Jones, LeMaster, Mann, Meyer, Perkins, Stumbo, White, Williams.

HB 644, by way of Committee Substitute, was passed and the title agreed to.

Representative Johnson moved that the vote by which **HB 644**, by way of Committee Substitute, was passed be reconsidered and said motion be placed on the table. Agreed.

Senate Message

Announcing passage of **SB 83**, **SB 128**, **SB 225**, **SB 325**, **SB 351**, **HB 196** with Senate Amendment, **HB 410**, and **HJR 20**.

HB 110 was returned with the following letters: The Senate has receded from its Amendment No. 1 to **HB 110** and is respectfully returning same to this Honorable Body for enrollment.

Orders of the Day (continued)

HB 780 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Holbrook moved that **HB 780** be passed.

On the roll call the vote was yeas 86-Allen, Arnold, Barrows, Bendl, Bennett, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Noe, Noland, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, Williams, Yates. Nays 1-Gedling.

HB 780 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 780** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 702, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Holloway moved the adoption of the Committee Substitute to **HB 702.** Agreed.

Representative Holloway moved that **HB 702,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 89-Allen, Arnold, Bendl, Bennett, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Fryman, Gedling, Gray, Guenthner, Hancock, Harper, Head, Heleringer, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomason, Todd, Turner, Van Horn, White, Williams, Yates. Nays 2-Barrows, Noe.

HB 702, by way of Committee Substitute, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 702,** by way of Committee Substitute, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 817 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Dunn moved that **HB 817** be passed.

On the roll call the vote was yeas 69-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Clapp, L. Clark, P. Clark, Cline, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Gedling, Gray, Hancock, Handy, Head, Hines, Holbrook, Johnson, Kenton, Kidd, Layman, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Morris, Noe, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Worthington, Yates. Nays 19-Allen, Caldwell, Ellington, Endicott, Ford, Freibert, Fryman, Guenthner, Harper, Heleringer, Lefevers, Lile, Moore, Nett, Noland, Patrick, Reinhardt, Robinson, Turner.

HB 817 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 817** was passed be reconsidered and said motion be placed on the table. Agreed.

HJR 63 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Morris moved that **HJR 63** be passed.

On the roll call the vote was yeas 96-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HJR 63 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HJR 63** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 781, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Pearman moved the adoption of the Committee Amendment No. 1 to **HB 781**. Agreed.

Representative Yates moved that **HB 781**, as amended, be passed.

Representative Patrick moved the adoption of the Floor Amendment No. 1 to **HB 781**.

Representative Gray inquired if Floor Amendment No. 1 was germane to **HB 781**.

The Chair ruled Floor Amendment No. 1 was not germane to **HB 781**.

Representative Barrows moved that **HB 781**, as amended, be laid on the Clerk's desk. Rejected.

Representative Yates moved that **HB 781**, as amended, be passed.

On the roll call the vote was yeas 66-Allen, Arnold, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Cyrus, Dawahare, Donnermeyer, Dunn, Endicott, Ford, Foster, Freibert, Gedling, Gray, Guenthner, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, Kidd, Layman, Lefevers, Lile, Long, Lundergan, Maggard, Mann, McBee, Morris, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 20-Barrows, Caldwell, Clarke, Crupper, Curd, Deskins, Farrow, Hancock, R. Jones, Kenton, List, Little, McElroy, McNutt, Moberly, Nett, Noland, Rattliff, Robinson, Thomason.

HB 781, as amended was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 781**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SCR 6 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cowan moved the adoption of **SCR 6**.

On the roll call the vote was yeas 89-Arnold, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Hancock, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

SCR 6 was adopted and the title agreed to.

Representative LeMaster moved that the vote by which **SCR 6** was adopted be reconsidered and said motion be placed on the table. Agreed.

HB 507 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members

elected.

Representative Brown moved that **HB 507** be passed.

On the roll call the vote was yeas 96-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 507 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 507** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 762 taken from orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Handy moved that **HB 762** be passed.

On the roll call the vote was yeas 89-Allen, Arnold, Bendl, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 762 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 762** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 194, with Senate Committee Substitute and Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Committee Substitute to **HB 194** is as follows:

HB 194, AN ACT relating to crimes and punishments.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 218A IS CREATED TO READ AS FOLLOWS:

(1) Whenever a person who is eighteen (18) years of age or younger but not less than fourteen (14) years of age is convicted of a violation of any offense in this chapter or is adjudicated delinquent as a result of any act which would be an offense under this chapter, the court may, in addition to any other penalty:

(a) If the person has a motor vehicle or motorcycle operator's license, recommend the revocation of the license for a period not to exceed one (1) year, if it is the person's first offense;

(b) If the person has a motor vehicle or motorcycle operator's license, recommend the revocation of the license until the person is twenty (20) years of age or for two (2) years, if it is a second or subsequent offense; and

(c) If the person has no motor vehicle or motorcycle operator's license, in the event of a first offense,

recommend that no such license shall be issued to such person for the period described in paragraph (a) of this subsection and in the event of a second or subsequent offense, recommend that no license shall be issued to such person for the period described in paragraph (b) of this subsection.

(2) Each court recommending the revocation of a motor vehicle operator's license or motorcycle operator's license or recommending the denial of such license pursuant to this section shall notify the transportation cabinet of the violation and the terms of the suggested revocation or denial.

(3) Upon notice of such recommendation, the transportation cabinet shall forthwith revoke the license of that person, or deny to that person a license for the period recommended by the court. If through inadvertence the defendant should be issued a license, the cabinet shall forthwith cancel it.

(4) Licenses revoked pursuant to this section shall be retained by the transportation cabinet for the period of revocation and shall be returned to the person after the expiration of the revocation period upon payment of the reinstatement fees and satisfaction of other requirements for the reinstatement of revoked licenses as may be required by the transportation cabinet.

(5) Revocations of operator's licenses and denials of licenses pursuant to this section shall be in addition to any other suspension, revocation, or denial of motor vehicle or motorcycle operator's licenses authorized by law.

The Senate Amendment No. 1 to Senate Committee Substitute to **HB 194** is as follows:

Amend printed copy of Senate Committee Substitute to **HB 194** as follows: on page 1, line 3, after the word "*is*" by deleting the word *eighteen (18)* and inserting the word *seventeen (17)* in lieu thereof; and

on page 1, line 15, after "*cense*" by deleting the words *until the person is twenty (20) years of age or*; and

on page 1, line 16, after the word "*offense*" by inserting the words *so long as the suggested period of revocation does not extend beyond the person's eighteenth birthday.*

Representative Bruce moved that the House concur in the Senate Committee Substitute to **HB 194.** Agreed.

Representative Bruce moved that the House concur in the Senate Amendment No. 1 to **HB 194.** Agreed.

Representative Bruce moved that **HB 194,** by way of Senate Committee Substitute as amended, be passed.

On the roll call the vote was yeas 82-Arnold, Bennett, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn. Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Long, Maggard,Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Noe, Noland, O'Brien, Overstreet, Patrick, Perkins, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F.Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 9-Bendl, Clarke, Gedling, Gray, Hancock, Little, Nett, Pearman, Rapier.

HB 194, by way of Senate Committee Substitute as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 194,** by way of Senate Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 421, with Senate Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 1 to **HB 421** is as follows:

Amend printed copy of **HB 421** as follows: on page 1, by inserting the following new language at the end of line 16, after the period: "*Nothing in this section shall be construed to prohibit surrogate parenting. 'Surrogate parenting' for purposes of this section is the process whereby a woman bears a child for adoption by another woman, such child being the natural child of the husband of the prospective adoptive mother. Nothing in this section shall be construed to prohibit in vitro fertilization. For purposes of this section 'in* *vitro fertilization' means the process whereby an egg is removed from a woman, then fertilized in a receptacle by the sperm of the husband of the woman in whose womb the fertilized egg will thereafter be implanted.*" and

on page 1, line 19, by inserting after "*paid*" the following "*, including attorney's fees,*"; and

on page 1, line 20, by deleting the comma after "*court*" and inserting after "*court*" the following: "*for approval or modification.*"; and

on page 1, by deleting line 21 in its entirety; and

on page 2, by deleting line 1 in its entirety; and

on page 2, line 2, by deleting "*court, which may approve or disapprove of such fee.*"

The Senate Amendment No. 1 to **HB 421** is as follows:

Amend printed copy of Senate Amendment No. 1 to **HB 421** as follows: on page 1, line 2, by deleting the following: "*Nothing in this section shall be*"

and on page 1, by deleting lines 3, 4 and 5 in their entirety

and on page 1, line 6, by deleting the following: "*child of the husband of the prospective adopted mother.*"

Representative R. Jones moved that the House concur in Senate Amendment No. 2 to **HB 421.** Agreed.

Representative R. Jones moved that the House concur in Senate Amendment No. 1 to **HB 421.** Agreed.

Representative R. Jones moved that **HB 421**, as amended by the Senate, be passed.

On the roll call the vote was yeas 78-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Ford, Foster, Freibert, Gray, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, Meyer, Moberly, Moore, Noe, Noland, O'Brien, Overstreet, Patrick, Perkins, Petty, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Seum, B. Smith, F. Smith, Stone, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 3-Craddock, Gedling, Pearman.

HB 421, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 421**, as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 182, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 1 to **HB 182** is as follows:

Amend printed copy of **HB 182** as follows: on page 1, line 12 between "*personnel*" and the period "." by inserting the following: "*provided, however, that the number of jail personnel shall be set by the fiscal court in the jail budget*".

Representative Arnold moved that the House concur in the Senate Amendment No. 1 to **HB 182.** Agreed.

Representative Arnold moved that **HB 182**, as amended by the Senate, be passed.

On the roll call the vote was yeas 80-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Brown, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Ford, Freibert, Gedling, Gray, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McNutt, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays. 0.

HB 182, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 182,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 293, with Senate Committee Substitute and Senate Title Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Committee Substitute to **HB 293** is as follows:

HB 293, AN ACT relating to pre-need funeral contracts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. KRS 316.310 IS REPEALED AND RE-ENACTED AS A NEW SECTION OF KRS CHAPTER 367 AND AMENDED TO READ AS FOLLOWS:

As used in *this Act* [~~KRS 316.310 to 316.370 and 316.991~~], unless the context requires otherwise:

(1) *"Attorney general" means division of consumer protection in the office of the attorney general* [~~"Department" means the department of banking and securities~~].

(2) "Financial institution" means a bank, trust company, *federally chartered credit union,* or savings and loan association authorized by law to do business in this state.

(3) "Pre-need burial contract" means a contract, which has for a purpose the furnishing or performance of funeral services, or the furnishing or delivery of personal property, merchandise, or services of any nature in connection with the final disposition of a dead human body, for future use at a time determinable by the death of the person whose body is to be disposed of; but does not mean the furnishing of a cemetery lot or mausoleum.

(4) "Agent" means the licensee who is the person, partnership, association or corporation receiving any payments on a pre-need funeral contract.

(5) "Trustee" means the financial institution.

SECTION 2. KRS 316.320 IS REPEALED AND RE-ENACTED AS A NEW SECTION OF KRS CHAPTER 367 AND AMENDED TO READ AS FOLLOWS:

(1) All payments of money made to any person, partnership, association or corporation upon any agreement or contract, or any series or combination of agreements or contracts, but not including the furnishing of cemetery lots or mausoleums, which has for a purpose the furnishing or performance of funeral services, or the furnishing or delivery of personal property, merchandise, or services of any nature in connection with the final disposition of a dead human body, for future use at a time determinable by the death of the person whose body is to be disposed of, are held to be trust funds. The person, partnership, association or corporation receiving the payments is declared to be *the agent* [~~a trustee~~] thereof, and shall deposit all payments in a trust account with a bank or trust company or invest said payments in a savings and loan association *or federally chartered credit union. The trustee shall be the financial institution holding said funds.* All of the interest, dividends, increases or accretions of whatever nature earned by the funds deposited in a trust account shall remain with the principal of such account and become a part thereof, subject to all of the regulations concerning the principal of said fund herein contained. *The agent shall have the authority at any time to transfer or redesignate the trustee of said funds in his discretion upon notification to the attorney general. In case of any transfer, the former trustee shall transfer funds directly to and payable to the newly designated trustee or its representative.*

(2) All payments made *to the agent* under the agreement, contract or plan are and shall remain trust funds with the financial institution until the death of the person for whose service the funds were paid and until the delivery of all merchandise and full performance of all services called for by the agreement, contract or plan, except where payment is made pursuant to *a request for refund* [~~KRS 316.330~~].

(3) The funds shall not be paid by the financial institution until a certified statement is furnished to the financial institution *by the agent* setting forth that all of the terms and conditions of the agreement have

been fully performed by the person, association, partnership, firm or corporation. Any balance remaining in the fund after payment for the merchandise and services as set forth in the agreement, contract or plan shall be paid to the estate of the beneficiary of the agreement, contract or plan.

(4) Subsection (1) of this section does not apply to contracts for funeral service or merchandise sold as burial insurance policies which are regulated by the department of insurance of this state.

SECTION 3. KRS 316.330 IS REPEALED AND RE-ENACTED AS A NEW SECTION OF KRS CHAPTER 367 AND AMENDED TO READ AS FOLLOWS:

(1) Upon the giving of fifteen (15) days' written notice, *sent to the agent and the trustee,* any person, partnership, or corporation who has paid funds for a pre-need funeral service may demand a refund of the entire amount actually paid, together with all interest, dividends, increases or accretions, of any kind whatsoever, which have been earned on such funds. *If the trustee is unknown, the written notice sent to the agent shall constitute compliance with this section. Upon receipt of notice, the agent shall immediately forward notice to the trustee.*

(2) The financial institutions shall be relieved from further liability, after making payment to the person making payment of said funds, to the *agent* [~~trustee~~] upon receipt of the foregoing written notice. Notice of payment of funds under this section shall be given by the financial institution to the *agent* [~~trustee~~].

(3) The trustee may rely upon all certifications and affidavits made pursuant to or required by the provisions of this Act, and shall not be liable to any person for such reliance.

SECTION 4. KRS 316.340 IS REPEALED AND RE-ENACTED AS A NEW SECTION OF KRS CHAPTER 367 AND AMENDED TO READ AS FOLLOWS:

(1) All trust funds mentioned in *this Act* [~~KRS 316.310 to 316.370 and 316.991~~] shall be deposited in the name of the *agent, with the financial institution* [~~trustee~~], as trustee, within thirty (30) days after receipt thereof, with a bank or trust company or invested in a savings and loan association and shall be held together with the interest, dividends, or accretions thereon, in trust, subject to the provisions of *this Act* [~~KRS 316.310 to 316.370 and 316.991~~]. The *agent* [~~trustee~~] at the time of making deposit or investment shall furnish to the financial institution the name of each payor, and the amount of payment on each account for which the deposit or investment is being made.

(2) Deposits to such funds and the amounts deposited may be commingled, but the accounting records shall establish a separate account for each prepaid contract and shall show amounts deposited and the income and loss occurring thereon with respect to each contract.

SECTION 5. KRS 316.350 IS REPEALED AND RE-ENACTED AS A NEW SECTION OF KRS CHAPTER 367 AND AMENDED TO READ AS FOLLOWS:

(1) *Every person, firm, partnership, association or corporation shall obtain an agent license from the attorney general at least thirty (30) days prior to offering for sale any pre-need burial contract or accepting any monies on pre-need burial contracts. Every* [~~No~~] person, firm, partnership, association or corporation *in existence and unlicensed as of the effective date of this Act which accepts* [~~may, without first securing from the department a license, accept and/~~] or *holds* [~~hold~~] payments made on pre-need burial contracts, except financial institutions as defined in *this Act, shall apply for an agent license from the attorney general within one hundred eighty (180) days thereafter* [~~subsection (2) of KRS 316.310~~]. *Licensees who hold a valid license issued by the department of banking and securities shall not be required to make an initial application with the attorney general.* Application for a license shall be in writing, signed by the applicant and duly verified on forms furnished by the *attorney general* [~~department~~]. Each application shall contain at least the following:

The full name and address (both residence and place of business) of the applicant, and every member, officer and director thereof if the applicant is a firm, partnership, association or corporation. Any license issued pursuant to the application shall be valid only at the address stated in the application for the applicant or at a new address approved by the *attorney general* [~~department~~].

(2) Upon receipt of the application and payment of a license fee of *fifty dollars ($50)* [~~$25.00~~] the *attorney general* [~~department~~] shall issue a license unless they determine that the applicant has made false statements or representations in the application, or is insolvent, or has conducted, or is about to conduct his business in a fraudulent manner, or is not duly authorized to transact business in this state. *Licensees who hold a valid license issued by the department of banking and securities shall not be required to pay a license fee to the attorney general.*

(3) Any person selling a pre-need funeral service contract shall collect from each purchaser a service charge of *five dollars ($5) made payable to the office of the attorney general* [~~two dollars ($2.00)~~], and all of which fees so collected shall be remitted by the person collecting same to the *attorney general* [~~department of banking and securities~~] at least once each month, and such funds shall be used by the *attorney general* [~~department~~] in administering *this Act* [~~KRS 316.310 to 316.370 and 316.991~~].

(4) Every licensee shall file an annual report on a form provided by the attorney general containing information as the attorney general may require, but at least the following: an itemized list of all pre-need burial contracts sold within the last twelve (12) months, the monies collected on said contracts, the total amount deposited in the pre-need funeral trust fund account and the location and account numbers of said trust funds.

(5) Every such report shall be verified by the agent and shall be attested to by the accountant, auditor, or other person preparing the same.

(6) Such reports shall not be available to the general public and shall be used only for the lawful purpose of the attorney general's office.

SECTION 6. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO READ AS FOLLOWS:

(1) Every licensee shall keep and maintain adequate records including but not limited to the following:

(a) A cash receipts journal, listing monies received in chronological order, dates, and amounts received, and identification of the payor or purchaser;

(b) A cash disbursement journal, containing the same information for monies disbursed. If a separate bank account is kept exclusively for any such funds, the checkbook could be used as a cash disbursement journal;

(c) A "reconciliation," done at least once every twelve (12) months. The reconciliation shall indicate the beginning balance in the trust account, payments received during the period, interest earned during the period, disbursements on either cancellation or the death of the beneficiary, and the ending balance for the period. The ending balance for each period is determined as follows:

Beginning Balance
+ Payments received
+ Interests
- Disbursements
Ending Balance

(d) Documentation files, supporting the reconciliation and containing the pre-need burial contract. Each file, consisting of a separate file for each contract, should include the name and address of the purchaser, the beneficiary, and the financial institution in which the trust funds were deposited. Passbooks, certificates, and other evidence of the account with the financial institution should be kept with the individual files, depending on the safety and security of the files.

(2) All sales, trust fund and accounting records of the agent licensee shall be readily available at the agent's principal place of business in this state at reasonable times for examination by an authorized representative of the attorney general's office.

(3) The necessary expenses of any examination made pursuant to this section shall be paid by the licensee, but in no case shall the attorney general or his authorized representatives be paid more than the actual expenses of such examination not to exceed the lesser of the following amounts: seventy-five dollars ($75) per day for each auditor or five dollars ($5) for each agent's sales contract examined. The agent may pay for this expense using interest monies which have accrued on the agent's existing pre-need funeral trust fund accounts. Any withdrawal of interest for this purpose shall be taken as a pro rata share of all of the agent's existing pre-need funeral trust fund accounts. The attorney general shall be advised in writing by the agent when interest monies is the source of payment and shall receive written certification from the financial institution or agent that the withdrawal was a pro rata share.

(4) This section shall apply to examinations of all pre-need funeral contracts whether entered into prior to or after the effective date of this Act.

SECTION 7. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO READ AS FOLLOWS:

(1) The attorney general's office may hire a special independent auditor of choice to do a complete audit of books as to contracts entered into both prior to and after the effective date of this Act to determine compliance with the pre-need funeral laws, if the attorney general determines any discrepancy as a result of an examination by his office.

(2) In any action brought under this chapter in which the Commonwealth prevails, the court shall award cost incurred by the attorney general for the special independent auditor.

SECTION 8. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO READ AS FOLLOWS:

Any provision of a contract which purports to waive any provision of this Act shall be null and void.

Section 9. KRS 307.100 is repealed and re-enacted as a new section of KRS Chapter 367 and amended to read as follows:

As used in *this Act* [~~KRS 307.110 to 307.180~~], unless the context requires otherwise:

(1) "Person" means an individual, corporation, partnership, joint venture, association, business trust, or any other form of business organization*; provided, however, that an individual employe of an entity registered pursuant to this Act shall not be required to comply with the registration requirement herein.*

(2) "Remains" means the bodies of deceased persons, in whatever stage of decomposition, and cremated remains.

(3) "Cemetery" means any one or combination of more than one of the following in a place used or to be used and dedicated or designated for such purposes:

(a) A burial park, for earth interment.

(b) A mausoleum, for entombment.

(c) A columbarium, for inurnment.

(4) "Mausoleum" means a building or structure substantially exposed above ground used or intended to be used for the entombment of human remains, which is sold or offered for sale to the public.

(5) "Columbarium" means a structure or building substantially exposed above ground intended to be used for the inurnment of cremated remains and sold or offered for sale to the public.

(6) "Columbarium niche" means an inurnment space in a columbarium as defined herein.

(7) "Cemetery company" means any person, *who* [~~except a religious society, municipal corporation or fraternal burial association, that~~] conducts the business of a cemetery. *Excepted are small community cemeteries, their agents, lessees and otherwise that operate nonprofit; have no salaried employes, directors, officers or managers other than maintenance caretakers; are owned, controlled by lot owners; and do not sell any pre-need merchandise or services.*

(8) "Grave space" means a space of ground in a cemetery intended to be used for the interment in the ground of the remains of one human being.

(9) "Attorney General" means the division of consumer protection in the office of the attorney general [~~"Department" means the department of banking and securities~~].

(10) "Underground crypt" means a single unit entombment space in preplaced chambers below ground and also known as lawn crypt, westminister *turftop mausoleum* or below ground crypt.

(11) "Bank of underground crypts" means any construction unit of twenty or more underground crypts designed as a part of a below ground crypt program, whether physically connected or not, having a common drainage system.

(12) "Mausoleum crypt" means an entombment space in a mausoleum as defined herein.

(13) "Cemetery merchandise" means urns, memorials, monuments, markers, vases, foundations, memorial bases, and other similar personal property commonly sold by or used in cemeteries.

(14) "Financial institution" means a bank, trust company, federally chartered credit union, or savings and loan association authorized by law to do business in this state.

(15) "Pre-need cemetery merchandise contract" means any agreement or contract, or any series or combination of agreements or contracts, which has for a purpose the furnishing or delivery of cemetery merchandise, which within six (6) months of the date of the contract is not attached to the realty and permanently installed or which is not stored in a bonded warehouse with the receipt of ownership issued by the manufacturer in the name of the purchaser and transmitted to the purchaser.

Section 10. KRS 307.110 is repealed and re-enacted as a new section of KRS Chapter 367 and amended to read as follows:

(1) Every *person engaged in the sale of any pre-need cemetery merchandise contract and* cemetery company, *hereinafter referred to as registrants,* shall register with the *attorney general* [~~department~~] at least thirty (30) days prior to commencing to do business. Every cemetery in existence as of *the effective date of this Act* [~~June 19, 1976~~] shall register within one hundred eighty (180) days thereafter. Such registration shall be on forms provided by the *attorney general* [~~department~~] and shall contain at least the following information.

(a) The name and location of the cemetery;

(b) The size and type;

(c) The names, addresses and other relative information concerning the owners, officers and directors;

(d) Identification, location and *total amounts deposited in the* [~~size of~~] perpetual care and merchandise trust funds;

(e) Types of services and merchandise sold and whether at need or pre-need.

(2) Every *registrant* [~~cemetery company~~] shall, within sixty (60) days of any material change of any item required to be reported hereunder, notify the department of such change.

(3) Every *registrant* [~~cemetery company~~] shall pay a filing fee *of fifty dollars ($50) with its application. Cemetery companies which are currently registered with the department of banking and securities and have paid all fees due shall not pay a filing fee and are not required to make initial application with the attorney general* [~~and an annual renewal fee of $50.00~~].

(4) Every registrant shall file an annual report on a form provided by the attorney general containing information as the attorney general may reasonably require, but at least the following:

(a) The total amount deposited in the perpetual care and maintenance trust fund, and a listing of the total number of grave spaces, underground crypts, mausoleums and niches sold within the last twelve (12) months and the gross selling price of each;

(b) The total mount deposited in the cemetery merchandise trust fund account, and a listing of the total number of the different cemetery merchandise sold within the last twelve (12) months and the retail selling price of each; and

(c) The total amount deposited in the preconstruction trust fund accounts, and a listing of the total number of mausoleum crypts, niches and underground crypts sold within the last twelve (12) months and the

retail selling price of each and current balance.

(5) Every such report shall be verified by the registrant and shall be attested to by any other person preparing the same.

(6) Such reports shall not be available to the general public and shall be used only for the lawful purpose of the attorney general's office.

SECTION 11. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO READ AS FOLLOWS:

Every registrant shall keep and maintain adequate records including but not limited to the following:

(1) A cash receipts journal, or its equivalent, listing monies received in chronological order. The journal shall contain dates of all such monies received, amounts received, and identification of the purchasers;

(2) A cash disbursement journal, or its equivalent, containing the same information as required by subsection (1) of this section for monies disbursed; if a separate bank account is kept exclusively for any such funds, the checkbook could be used as a cash disbursement journal;

(3) A "reconciliation" done at least once every twelve (12) months. The reconciliation shall indicate the beginning balance in the trust account, payments received during the period, interest earned during the period, disbursements during the period, and the ending balance for the period. The ending balance for each period is determined as follows:

Beginning balance
+N Payments received
+N Interest
- Disbursements
Ending Balance

(4) All contracts, sales, trust fund and accounting records of the registrant shall be readily available at the registrant's principal place of business in this state at reasonable times for examination by an authorized representative of the attorney general's office;

(5) (a) The necessary expenses of any reasonable examination made pursuant to this section shall be paid by the registrant; but in no case shall the attorney general or his authorized representatives be paid more than the actual expenses of such examination, not to exceed the lesser of the following amounts: seventy-five dollars ($75) per day for each auditor or five dollars ($5) for each registrant's sales contract examined. In any event, the cost of such examination shall not exceed a total of one thousand dollars ($1,000) during any twelve (12) month period;

(b) The registrant may pay for this expense using interest monies which have accrued on the registrant's existing cemetery merchandise trust fund accounts or preconstruction trust fund account or perpetual care account. Any withdrawal of interest for this purpose shall be taken as a pro rata share of all of the trust fund accounts. The attorney general shall be advised in writing by the registrant when interest monies are the source of payment and shall receive written certification from the financial institution or registrant that the withdrawal was a pro rata share;

(6) This section shall apply to examinations of all registrant's contracts whether entered into prior to or after the effective date of this Act.

SECTION 12. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO READ AS FOLLOWS:

If the attorney general determines any discrepancy as a result of his examination, the attorney general's office may hire a special independent auditor of choice to do a complete audit of books, both as to contracts entered into prior to and after the effective date of this Act, to determine compliance with the cemetery laws; in any action brought under this chapter in which the Commonwealth prevails, the court shall award costs incurred by the attorney general for the special independent auditor.

Section 13. KRS 307.130 is repealed and re-enacted as a new section of KRS Chapter 367 and amended to read as follows:

(1) *Every seller of the items described in subsection (2)(a) of this section* [~~No cemetery company~~] shall [~~establish, or operate if already established, a cemetery unless it shall~~] first provide for the future care and maintenance of such *items* [~~cemetery~~], and to accomplish this purpose shall cause to be established in a *financial institution* [~~bank~~] authorized by law to administer trust funds, *or in any other financially sound entity with the prior written approval of the attorney general,* an irrevocable trust fund to be known as a perpetual care and maintenance fund. The income of such funds shall be used solely for the general care, maintenance, and embellishment of the cemetery, *except as otherwise provided herein.*

(2) (a) Every *seller of the items described in this paragraph* [~~cemetery company~~] shall place the following amounts into the perpetual care and maintenance fund *of the cemetery in which the item is located within thirty (30) days after each calendar quarter of operations for* [~~within forty-five (45) days of receipt of~~] *each* [~~the final~~] payment of each sale which occurs or contract of sale entered into after *the effective date of this Act:* [~~June 19, 1976.~~]

1.[~~(i)~~] Twenty percent (20%) of the gross selling price of each grave space, with a minimum of twenty dollars ($20) per grave space*;*[~~.~~]

2.[~~(ii)~~] Underground crypt, *five percent* (5%) of the gross selling price with a minimum of twenty-five dollars ($25) per crypt*;*[~~.~~]

3.[~~(iii)~~] Mausoleum crypt, *five percent* (5%) of the gross selling price with a minimum of fifty dollars ($50) per mausoleum crypt*; and*[~~.~~]

4.[~~(iv)~~] Columbarium niche, *ten percent (10%)* [~~5%~~] of the gross selling price with a minimum of fifteen dollars ($15) per niche.

(b) For the purposes of this section, "gross selling price" shall not include interest, carrying charges or finance charges.

(c) Every cemetery company hereinafter established shall create and maintain a perpetual care and maintenance fund, depositing therein an initial deposit as listed below, and shall submit proof thereof to the *attorney general* [~~department~~] prior to the offering for sale of any burial rights. Any payment required under subparagraph (a) of this *subsection* [~~paragraph~~] shall be credited against the initial deposit until the required sum has been reached:

1.[~~(i)~~] In counties of fewer than 50,000 persons, *$20,000*[~~$10,000~~];

2.[~~(ii)~~] In counties of 50,000 to 99,999 persons, *$30,000*[~~$15,000~~];

3.[~~(iii)~~] In counties of 100,000 or more persons, *$50,000*[~~$25,000~~].

(3) In the event that a purchaser is in default of a contract purchasing any of the above items, the financial institution shall release to the depositor the funds, plus interest, deposited on behalf of the defaulted contract upon receiving from the depositor a sworn affidavit stating that the purchaser is in default of the contract, the date of the default, an explanation of the default and that the depositor mailed a copy of the affidavit to the purchaser's last known address at least thirty (30) days prior to said request for release.

SECTION 14. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO READ AS FOLLOWS:

(1) Forty percent (40%), not including interest or finance charges, of all payments of money made to any person, partnership, association or corporation upon any agreement or contract, or any series or combination of agreements or contracts, which has for a purpose the furnishing or delivery of cemetery merchandise, which within six (6) months of the date of the contract is not delivered by attachment to the realty and permanent installation or which is not stored in a bonded warehouse with the receipt of ownership issued by the manufacturer in the name of the purchaser and transmitted to the purchaser are held to be trust funds. The person, partnership, association or corporation receiving the payments shall deposit forty percent (40%) of all payments received on a pre-need cemetery merchandise contract in a trust fund account within six (6) months of the date of contract, and forty percent (40%) of all payments received thereafter on said contract shall be deposited in the trust fund account within thirty (30) days after each calendar quarter of operation. The trustee shall be the financial institution holding said funds. All of the interest, dividends, increases or accretions of whatever nature earned by the funds deposited in a trust account shall remain with the principal of such account and become a part thereof, subject to all of the regulations concerning the principal of said fund herein contained.

(2) All trust funds mentioned in this section shall be deposited in the name of the person making said deposits, with the financial institution as trustee, and shall be held together with the interest, dividends, or accretions thereon, in trust, subject to the provisions of this Act. The person at the time of making deposit or investment shall furnish to the financial institution the name of each payor, and the amount of payment on each account for which the deposit or investment is being made.

(3) All forty percent (40%) of payments, not including interest or finance charges, made under the agreement contract or plan are and shall remain trust funds with the financial institution, until the financial institution receives a sworn affidavit from the depositor stating one of the following:

(a) That the delivery of all merchandise by attachment to the realty, or permanent installation of the merchandise has been completed and that there has been full performance of all services called for by the agreement, contract or plan; or

(b) That there has been delivery of all of the merchandise called for by the agreement by storing the same in a bonded warehouse with the receipt of ownership issued by the manufacturer in the name of the purchaser and transmitted to the purchaser.

Upon receiving said affidavit, the financial institution shall remit the funds on deposit for the performed contract, plus interest, to the depositor. Release of funds may also be made pursuant to a request for a refund or cancellation under this Act.

(4) In the event that a purchaser is in default of a pre-need cemetery merchandise contract, the financial institution shall release to the depositor the funds, plus interest, deposited on behalf of the defaulted contract upon receiving from the depositor a sworn affidavit stating that the purchaser is in default of the pre-need cemetery merchandise agreement, the date of the default, an explanation of the default and that the depositor has mailed a copy of the affidavit to the purchaser's last known address at least thirty (30) days prior to said request for release.

(5) Deposits to such funds and the amounts deposited may be commingled, but the accounting

records shall establish a separate account for each prepaid contract and shall show amounts deposited and the income and loss occurring thereon with respect to each contract.

(6) The trustee may rely upon all certifications and affidavits made pursuant to or required by the provisions of this Act, and shall not be liable to any person for such reliance.

(7) In lieu of the trust fund deposits required herein, the person may post with the attorney general, division of consumer protection, a good and sufficient bond by a surety company licensed to do business in Kentucky and in an amount sufficient to cover all payments made by or on account of purchasers who have not received the purchased property and services. This bond shall be held for the benefit of a purchaser, or his or her heir or assign or duly authorized representative, who suffers a loss of money paid pursuant to a pre-need cemetery merchandise contract entered into after the effective date of this Act due to the insolvency of the registrant, or failure to provide the cemetery merchandise called for by contract that has been paid in full and not provided after a ninety (90) day request in writing to do so. If a bond is posted, the attorney general's office shall receive sixty (60) days' written notice in the event of cancellation. On or before the cancellation date, the person shall comply with the trust fund requirements herein or post another good and sufficient bond.

(8) Any person selling a pre-need cemetery merchandise contract shall pay to the attorney general five dollars ($5), for each said contract entered into and all of which fees shall be remitted by the person collecting them to the attorney general at least once each month, and such funds shall be used by the attorney general in administering this chapter.

SECTION 15. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO READ AS FOLLOWS:

(1) If for any reason a person who has entered into a contract for the sale of cemetery merchandise which is paid in full and has made deposits to the trust fund herein required to be made cannot or does not provide the cemetery merchandise called for by the contract after a ninety (90) day request in writing to do so, the purchaser or his heirs or assigns or duly authorized representatives shall be entitled to receive the following: the deposit to the credit of that particular contract, all income those funds have earned; and from the cemetery, the remainder, if any, of the purchase price paid. Written instruction to the trustee to refund the amount of money on deposit, or an affidavit by either the purchaser or one of his heirs or assigns or duly authorized representative, stating that the cemetery merchandise contract is paid in full and after a written request the merchandise was not provided, shall be sufficient authority for the trustee to make refund of the deposit monies to the person submitting the affidavit. The trustee shall not be held responsible for any such refunds made on account of the person's written direction or an affidavit submitted in accord with this section. However, nothing herein contained shall relieve any person from any liability for nonperformance of the contract terms. Except, however, in the event such person cannot deliver the cemetery merchandise sold because of a national emergency, the provision of this paragraph shall not apply.

Section 16. KRS 307.170 is repealed and re-enacted as a new section of KRS Chapter 367 and amended to read as follows:

(1) [~~No person, except a cemetery company or a religious society, municipal corporation or fraternal burial association shall engage in the business of the construction for sale, sale reservation or contract for sale or otherwise commercially deal in the development or sale of mausoleum or underground crypts or columbariums.~~

~~(2)~~] Every person *before engaging in a sale, contract for sale, reservation for sale or agreement for sale* [~~intending to engage in the sale~~] of a mausoleum crypt *within a mausoleum*, underground crypt *within a crypt section*, or columbarium niche *within a mausoleum* prior to the completion of the construction thereof, shall give notice in writing to the *attorney general* [~~department~~] of the commencement of such sale at least thirty (30) days prior thereto *and register with the attorney general. Such registration shall be on forms provided by the attorney general.*

(2)[~~(3)~~] Every person engaged in the sale of a mausoleum crypt, underground crypt or columbarium niche shall commence construction thereof within *twenty-four (24)* [~~thirty-six (36)~~] months of the date of such sale and shall complete such construction within *sixty (60)* [~~seventy-two (72)~~] months of the date of such sale. *A* [~~Failure to so commence or complete construction shall entitle any purchaser, on demand, to recover all sums paid on the purchase price, plus interest thereon at the rate of six percent per annum; provided, however, that any~~] delay caused by strike, *national emergency*, shortage of materials, civil disorder, natural disaster or any like occurrence beyond the control of such person shall extend the time of such commencement and completion by the length of such delay. *This subsection shall not apply to the sale of mausoleum crypts, underground crypts or columbarium niches if there has been any sale in the same project prior to the effective date of this Act. Prior projects shall have commenced construction thereof within thirty-six (36) months of the date of such sale and shall complete construction within seventy-two (72) months of the date of such sale.*

(3) Every person who plans to offer for sale space in a section of a mausoleum or bank of underground crypts prior to its construction shall establish a preconstruction trust account. The trust account shall be administered and operated in the same manner as the merchandise trust account provided for in this

chapter and shall be exclusive of the merchandise trust account or such other trust accounts or funds that may be required by law.

(4) Every person shall place thirty-six percent (36%), not including interest or finance charges, of all payments of money made to any person pursuant to any agreement, contract or any series or combination of agreements or contracts which are for the purchase of sections in a mausoleum, columbarium, or any kind of underground crypt which at the time of the payment of money have not been completely and totally constructed, in a trust fund account in a financial institution within thirty (30) days after each calendar quarter of operations. Excepted therefrom, however, are persons who have constructed in the past their own mausoleum using primarily equipment owned by the self-constructing person and their own personnel with a minimum of subcontracting, and in that event there shall be deposited a minimum of twenty percent (20%) of all payments of money, subject, however, to the actual cost. If, from project to project, their actual cost is in excess of twenty percent (20%), the full cost percentage shall be deposited from project to project, not to exceed thirty-six percent (36%). At the time of notification to the attorney general's office the self-constructing mausoleum person shall also notify the attorney general that he intends to self-construct and the percentage of contribution of trust that is required.

(5) All trust funds mentioned in this section shall be deposited in the name of the person depositing said funds, with the financial institution as trustee, and shall be held together with the interest, dividends, or accretions thereon, in trust, subject to the provisions of this Act. The person at the time of making deposit or investment shall furnish to the financial institution the name of each payor, and the amount of payment on each account for which the deposit or investment is being made.

(6) Deposits to such funds and the amounts deposited may be commingled, but the accounting records shall establish a separate account for each prepaid contract and shall show amounts deposited and the income and loss occurring thereon with respect to each contract.

(7) All payments made to the preconstruction trust fund account shall remain in the trust fund with the financial institution until the financial institution receives a certified statement from the depositor stating that the particular project for which the preconstruction trust fund has been established is totally completed. During the construction stage, trust funds may be withdrawn by presenting the trustee with appropriate evidence of expenditure for construction cost. The trustee shall thereupon disburse monies from the trust fund to pay for the expenses of construction presented for payment.

(8) A trustee may rely upon all certifications and affidavits made pursuant to or required by the provisions of this Act, and shall not be liable to any person for such reliance.

(9) If a mausoleum section or bank of underground crypts is not completed within the time limits set out in this Act, the financial institution acting as trustee, if any, may contract for and cause said project to be completed and paid therefor from the trust account funds deposited to the project's account, paying any balance, less cost and expenses, to the depositor. In the event there is no corporate trustee, or the trustee chooses not to serve in the capacity to complete construction, the attorney general shall appoint a committee to serve as trustees to trust account funds deposited to the project's account, paying any balance, less cost and expenses, to the cemetery company.

(10) If it is determined by the trustee after the expiration of the time of construction set out above that there is not enough money in the trust fund account to complete the project, the trustee shall make a refund of all monies held to all purchasers, or his heirs or assigns, in the amount of the deposit to the credit of their particular contract and all income those funds have earned. The purchasers shall be entitled to receive any remainder of the purchase price paid from the depositor. However, nothing herein contained shall relieve any person from any liability for nonperformance of the contract terms.

(11) If temporary entombment or inurnment is not used, upon written notification to the seller, the personal representative or any purchaser of such space who dies before completion of construction shall be entitled to a refund of all monies paid into the preconstruction trust fund for such space, including any income earned thereon, and from the seller, the remainder of the purchase price paid.

(12) In lieu of the trust fund deposits required herein, the person may post with the attorney general, division of consumer protection, a good and sufficient bond by a surety company licensed to do business in Kentucky and in an amount sufficient to cover all payments made by or on account of purchasers who have not received the purchased property and services. This bond shall be held for the benefit of any purchaser, or his or her heir or assign or duly authorized representative, who suffers a loss of money paid for a preconstructed mausoleum crypt or niche or underground crypt after the effective date of this Act due to the insolvency of the registrant, or failure to construct within the time limits set out herein. If a bond is posted, the attorney general's office shall receive sixty (60) days' written notice in the event of cancellation. On or before the cancellation date, the person shall comply with the trust fund requirements herein or post another good and sufficient bond.

(13) Any person selling preconstruction mausoleum, columbarium or underground crypt contracts shall pay to the attorney general five dollars ($5) for each sale of said contract and all of which fees shall be remitted by the person collecting them to the attorney general at least once each month, and such funds shall be used by the attorney general in administering this chapter.

Section 17. KRS 307.180 is repealed and re-enacted as a new section of KRS Chapter 367 and amended to read as follows:

Every *cemetery company* [~~person~~] offering for sale any mausoleum crypt, underground crypt or columbarium niche shall provide facilities for temporary entombment or inurnment at the cemetery in which the crypt or niche purchased is to be located.

Section 18. KRS 307.160 is repealed and re-enacted as a new section of KRS Chapter 367 and amended to read as follows:

(1) Whenever any contract for sale shall be entered into in which items of cemetery merchandise and rights to interment, inurnment or entombment are included, without allocation of the gross sale price among the items sold, the application of payments received under the contract shall be allocated, first to the right to interment, inurnment or entombment, second to items of cemetery merchandise relating to memorialization and third, to items [~~of cemetery merchandise~~] relating to the disposition of the remains of a dead human being, *including pre-need funeral merchandise and services*, unless some other allocation is clearly provided in the contract.

(2) Any person engaging in a combination sale which involves the sale of any item in addition to the sale of cemetery merchandise or a combination sale which involves the sale of any item in addition to the sale of rights to interment, inurnment or entombment shall be prohibited from increasing the gross sales price of those items which require the lesser trust fund deposit with the purchase of allocating a lesser gross sales price to items which require a higher trust fund requirement

SECTION 19. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO READ AS FOLLOWS:

(1) Any person selling pre-need cemetery merchandise contracts or preconstruction mausoleums, columbarium or underground crypt contracts shall pay to the attorney general five dollars ($5) for each said contract entered into of which the gross sales price as defined in this Act is five hundred dollars ($500) or less and ten dollars ($10) for each said contract entered into of which the gross sales price is over five hundred dollars ($500), to be paid into a special income earning account known as "Consumer security account." The above said fees shall be remitted to the attorney general at least once each month.

(2) The funds in said account shall be used solely for the purpose of providing restitution to consumers who have suffered precuniary loss in the purchase of a pre-need cemetery merchandise contract or a preconstruction mausoleum, columbarium or underground crypt contract. The fund shall be applied only to restitution that is ordered by circuit court in a lawsuit brought under this Act by the attorney general and which is determined by the attorney general to be noncollectable from the judgment debtor.

(3) Whenever restitution is paid by the fund, the fund shall be subrogated to the amount of such restitution, and the attorney general shall engage in all reasonable post judgment collection steps to collect said restitution from the judgment debtor and reimburse the fund.

(4) The fund shall not be applied toward any restitution for losses in any lawsuit initiated by the attorney general prior to the effective date of this Act.

(5) Notwithstanding any other provision of this section, the payment of restitution from the fund shall be a matter of grace and not of right and no person shall have any vested rights in the fund as a beneficiary or otherwise.

SECTION 20. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO READ AS FOLLOWS:

Any provision of a contract which purports to waive any provision of this Act shall be null and void.

SECTION 21. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO READ AS FOLLOWS:

(1) Officers, owners, directors and shareholders of companies subject to the provisions of this Act who knew of failure to comply with any of the trust provisions of this Act and who fail to take prompt and reasonable actions to correct, including notification to the attorney general's office, shall be personally liable, jointly and severally, for the deficiency existing in the trust funds and for any other civil remedy allowed by law.

(2) In addition to the liabilities declared, the person who brings suit and recovers from an owner, officer, director, or shareholder of a company, shall also recover his reasonable attorney's fees, the amount to be fixed and adjudged by the court before whom the case is tried.

SECTION 22. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO READ AS FOLLOWS:

Any cemetery company that receives a foundation order shall complete the foundation installation within ninety (90) days, without discrimination, providing, however, that any delay caused by inclement weather, strike, shortage of materials, civil disorder, natural disaster or any like occurrence beyond the control of such person shall extend the time of such completion by the length of such delay.

SECTION 23. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO READ AS FOLLOWS:

(1) All of the remedies, powers, and the duties provided for the attorney general by KRS 367.190 to

367.300 and 367.990 pertaining to acts declared unlawful by KRS 367.170 shall apply with equal force and effect to acts declared unlawful by this Act and the pre-need funeral laws existing prior to this Act.

(2) Nothing in this Act shall be construed to limit or restrict the exercise of powers or the performance of the duties of the attorney general which he is authorized to exercise or perform under any other provision of law. The attorney general has the power to establish such rules and regulations as are necessary to carry out these provisions.

SECTION 24. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO READ AS FOLLOWS:

Any person or corporation which is subject to the provisions of this Act and wilfully violates the trust provision found in this chapter shall be guilty of a Class C felony. Each violation of any trust provision of this chapter shall be deemed a separate offense. Either the attorney general or the appropriate commonwealth's attorney may prosecute violators.

Section 25. KRS 287.485 is amended to read as follows:

All fees collected and paid into the state treasury under the provisions of KRS Chapters 287, 288, 289, 290, 291, 292, 294, 307, *and* 366 [~~and 316.010 to 316.070~~] shall be credited to a revolving trust or agency fund account, as provided in KRS 45.140, for the department of banking and securities and shall be separately accounted for and shall be used solely for the administration and enforcement of said KRS chapters.

SECTION 26. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO READ AS FOLLOWS:

All fees and charges collected and paid into the state treasury under the provisions of this Act shall be credited to a revolving trust or agency fund account for the attorney general and shall be used for the administration of this Act. This section does not apply to the consumer security account.

Section 27. The following KRS sections are repealed:

307.120	Records.
307.140	Merchandise trust fund.
307.150	Financial reports.
307.991	Penalty.
316.360	Records of licensee, requirements -- Inspection.
316.370	Department of banking and securities to enforce law -- Rules and regulations.
316.991	Violations, penalty.

The Senate Title Amendment to **HB 293** is as follows:

Amend printed copy of Senate Committee Substitute to **HB 293** as follows: on page 1, title, by deleting the word "funeral".

Representative R. Jones moved that the House concur in the Senate Committee Substitute to **HB 293**.

Representative Overstreet moved that **HB 293** be referred to the Committee on Banking and Insurance.

On the roll call the vote was yeas 35-Allen, Arnold, Barrows, Bennett, Blandford, Bronger, Bruce, L. Clark, P. Clark, Crupper, Curd, Endicott, Ford, Fryman, Gray, Hancock, Handy, Heleringer, Holbrook, Johnson, Lundergan, Mann, McElroy, Meyer, Morris, Overstreet, Perkins, Rattliff, Reinhardt, Riner, F. Smith, Thomas, Todd, Williams, Yates. Nays 47-Bendl, Brinkley, Burch, Caldwell, Clarke, Cline, Cowan, Craddock, Cyrus, Dawahare, Deskins, Dunn, Farrow, Foster, Freibert, Harper, Head, Hines, R. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, McBee, McNutt, Moberly, Nett, Patrick, Pearman, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Robinson, Stone, Stumbo, Thomason, Turner, Van Horn, White.

The motion that **HB 293** be referred to the Committee on Banking and Insurance was rejected.

Representative R. Jones moved that the House concur in the Senate Committee Substitute to **HB 293**.

On the roll call the vote was yeas 56-Bendl, Brinkley, Burch, Caldwell, Cline, Cowan, Craddock, Cyrus, Dawahare, Dunn, Ellington, Farrow, Foster, Freibert, Gedling, Guenthner, Harper, Head, Hines, Holloway, R. Jones, T. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Moberly, Moore, Nett, Noe, O'Brien, Patrick, Pearman, Petty, Rapier, Reinhardt, Richards, B. Richardson, Riner, Robinson, Stone, Stumbo, Thomason, Turner, Van Horn, White, Worthington. Nays 32-Allen, Arnold, Barrows, Bennett, Blandford, Bronger, Bruce, L. Clark, P. Clark, Crupper, Curd, Donnermeyer, Endicott, Ford, Fryman, Gray, Hancock, Handy, Heleringer, Holbrook, Johnson, Meyer, Morris, Noland, Overstreet, Perkins, Rattliff, B. Smith, F. Smith, Thomas, Williams, Yates.

The motion that the House concur in the Senate Committee Substitute to **HB 293** was adopted.

Representative R. Jones moved that the House concur in the Senate Title Amendment to Senate Committee Substitute to **HB 293**.

On the roll call the vote was yeas 51-Bendl, Blevins, Brown, Burch, Burnette, Caldwell, Cline, Cowan, Craddock, Cyrus, Dawahare, Dunn, Ellington, Farrow, Ford, Foster, Freibert, Guenthner, Harper, Head, Hines, Holloway, Johnson, R. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, List, Long, Maggard, McBee, Moberly, Nett, Noe, O'Brien, Pearman, Petty, Priddy, Rapier, Reinhardt, B. Richardson, Riner, Robinson, Stone, Stumbo, Thomason, Van Horn, Whites, Yates. Nays 29-Allen, Bennett, Bronger, L. Clark, P. Clark, Crupper, Curd, Deskins, Endicott, Fryman, Gray, Hancock, Handy, Heleringer, Holbrook, Little Mann, Meyer, Noland, Overstreet, Patrick, Perkins, Rattliff, Richards, B. Smith, F. Smith, Thomas, Turner, Williams.

The motion that the House concur in the Senate Title Amendment to the Senate Committee Substitute to **HB 293** was adopted.

Representative B. Jones moved that **HB 293**, by way of Senate Committee Substitute as amended, be passed.

On the roll call the vote was yeas 77-Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, P. Clark, Clarke, Cline Cowan, Craddock, Crupper, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Gedling, Guenthner, Handy, Harper, Head, Hines, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Pearman, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomason, Turner, Van Horn, White, Worthington, Yates. Nays 19-Allen, Arnold, Bennett, L. Clark, Curd, Ford, Fryman, Gray, Hancock, Heleringer, Holbrook, Mann, Meyer, Overstreet, Perkins, Rattliff, Thomas, Todd, Williams.

HB 293, by way of Senate Committee Substitute as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 293**, by way of Senate Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Motions, Petitions, and Communications

Representative R. Jones moved that **HB 292** be recommitted to the Committee on Banking and Insurance. Rejected.

Representative Cowan moved that the rules be suspended for Introduction of a Resolution. Agreed.

Introduction of Resolution

HR 129, by Representatives Cowan, Nett, and Gedling: A RESOLUTION: honoring Harold "Pee Wee" Reese and upon his selection for enshrinement into the Baseball Hall of Fame in Cooperstown, New York and his lifetime commitment to the improvement of the quality of life for all people.

Motions, Petitions and Communications (continued)

Representative Cowan moved the adoption of the following **HR 129**:

HR 129, A RESOLUTION honoring Harold "Pee Wee" Reese upon his selection for enshrinement into the Baseball Hall of Fame in Cooperstown, New York, and for his lifetime commitment to the improvement of the quality of life for all people.

WHEREAS, Kentuckian Harold "Pee Wee" Reese, former shortstop with the Brooklyn and Los Angeles Dodgers, was recently selected for induction into the Baseball Hall of Fame in Cooperstown, New

York; and

WHEREAS, Pee Wee Reese's baseball career spanned 16 years, during which time he played in 7 World Series and 10 All-Star Games and is still among the Dodgers' all-time leaders in 10 offensive categories, while generally being acknowledged as one of baseball's greatest defensive shortstops; and

WHEREAS, as captain of the great Dodgers teams, Pee Wee Reese was instrumental in breaking down the racial barrier in organized baseball by befriending, rooming with and playing alongside Hall of Fame second baseman, Jackie Robinson; and

WHEREAS, Pee Wee Reese, since his retirement from baseball, continues to champion the cause of human dignity through his service as a board member and honorary celebrity chairman of the Kentucky - West Virginia Chapter of the Cystic Fibrosis Foundation; and

WHEREAS, the Pee Wee Reese Celebrity Banquet draws hundreds of notable personalities each year to Louisville to benefit children and young adults afflicted with cystic fibrosis, further testifying to Pee Wee's lifetime of commitment to the improvement of the quality of life for all people;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That Harold "Pee Wee" Reese be honored for his selection into the Baseball Hall of Fame in Cooperstown, New York, and for his lifetime contribution to the improvement of the quality of life for all people.

Section 2. That a copy of this resolution be sent to Harold "Pee Wee" Reese, the Kentucky - West Virginia Chapter of the Cystic Fibrosis Foundation and the curator of the Baseball Hall of Fame in Cooperstown, New York.

HR 129 was adopted by voice vote.

Representative Cowan moved that call of the roll be taken to show co-sponsors of **HR 129**. Agreed.

The following members requested that their names be added as Co-Sponsors of **HR 129**: Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brown, Burch, Caldwell, L. Clark, P. Clark, Cline, Cowan, Craddock, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Harper, Hines, Holbrook, Holloway, R. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Meyer, Morris, Nett,Noland, O'Brien, Overstreet, Patrick, Pearman, Petty, Priddy, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, Seum, B. Smith, F. Smith, Stone, Todd, Turner, Van Horn, White, Williams, Yates.

Representative Craddock moved that **HB 815** be withdrawn. Agreed.

Representative White moved that **HB 897** be withdrawn. Agreed.

Representative Turner moved the adoption of the following Legislative Citation No. 103. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby commends you, J. D. Russell, for your benevolent spirit and your excellent service for the past eighteen years as the director of the Civil Defense and Rescue Squad of Simpson County. Your humanitarian acts, so vital to the well-being of your fellowman, proved your ultimate concern and compassion. Your badge of "Ready and willing to Serve" was most evident at school, civic and recreational activities and projects. In the midst of disasters, accidents, catastrophies, calamities and tragedies, it is comforting to know that you were available and in the line of service. Your self-sacrifice and self-denial has helped build a health and wholesome community and society.

This body salutes you for your courageous and vigilant service. (Sponsored by Representative Turner)

Representative Gedling moved the adoption of the following Legislative Citation No. 98. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Meade County High School "Greenwaves" Basketball Team, Brandenburg, Kentucky, and your superb coach, Mr. Larry S. Miller, for your outstanding achievement in winning the Boys' Fifth Region Basketball Championship at Marion County High School, Lebanon, Kentucky, Your excellent season record of 22-11 reflects your hard work and school loyalty. This prestigious body salutes you and we extend our very best wishes for continued success in the Boys' "Sweet Sixteen" Tournament at Rupp Arena, Lexington, Kentucky, March 14-17, 1984. (Sponsored by Representative Gedling)

Representative Williams moved that **HB 69**, as amended, be taken from the Clerk's desk and placed in Orders of the Day. Agreed.

Representative Farrow moved the adoption of the following Legislative Citation No. 105. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Scott County "Cardinals" Boys' Basketball Team, Georgetown, Kentucky, your superb coach, Everette "Mutt" Varney and assistant coach, Billy Reynolds, for your outstanding achievement in winning the Boys' Eight Region Basketball Championship. Your accomplishments for a successful 1984 season, especially with a young team, many injuries and a tough schedule is most noteworthy. This prestigious body applauds you as this is your second consecutive trip to the State Tournament and we extend best wishes for continued success in the Boyds' "Sweet Sixteen" State Tournament at Rupp Arena, Lexington, Kentucky, March 14-17, 1984. (Sponsored by Representative Farrow)

Representative O'Brien moved that **HB 948** be reassigned to the Committee on Appropriations and Revenue. Agreed.

Representative Hines moved the adoption of the following Legislative Citation No. 99. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Doss High School "Dragons" Basketball Team, Louisville, Kentucky, and your superb coach, Mr. Leon Mudd, for your outstanding achievement in winning the Boys' Sixth Region Basketball Championship at Southern High School on March 10, 1984. Your excellent season record of 26-5 reflects your hard work and school loyalty. This prestigious body salutes you and we extend our very best wishes for continued success in the Boys' "Sweet Sixteen" Tournament at Rupp Arena, Lexington, Kentucky, March 14-17, 1984. (Sponsored by Representative Hines)

Representative Guenthner moved the adoption of the following Legislative Citation No. 100. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby commends you, John R. Hughes, for recently being honored by the Peace and Justice Commission of the Roman Catholic Archdiocese for your contributions to the quality of life in Louisville and Jefferson County. Since 1981, the Peace and Justice Commission has given awards to outstanding contributors to peacemaking, social change, education and service in the Louisville area. You have made your community and its institutions "a little more just and a bit more sensitive to human needs." Your humanitarian and benevolent spirit is admirably reflected in your public service demonstrated by the many improvements that have been accomplished due to your ultimate concern and compassion. A leading member of the Berrytown - Griffytown Improvement Organization in eastern Jefferson County, for more than 15 years you have campaigned for improved sidewalks, streets and drainage, adequate police protection and quality schools. Especially noteworthy is the fact that you were a plaintiff in the suit that led to desegregation in the Louisville and Jefferson County public schools. You have shared generously of your knowledge, time, resources and experiences for which we are sincerely grateful.

This honorable body salutes you for your dedication and contributions to the welfare of others and applauds you for the great distinction that you have brought to your community and the Commonwealth of Kentucky. (Sponsored by Representative Guenthner)

Representative Reinhardt moved the adoption of the following Legislative Citation No. 104. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Newport Central Catholic High School "Thoroughbreds" Boyds' Basketball Team, Newport, Kentucky, and your superb coach, Gary Schulte, for your outstanding achievement in winning the Boys' Ninth Region Basketball Championship. We applaud you as you have captured the Ninth Region Championship Title seven times and you have bestowed honor and pride on your school, community and the Commonwealth of Kentucky. This prestigious body extends best wishes and continued success in the Boys' "Sweet Sixteen" State Tournament at Rupp Arena, Lexington, Kentucky, March 14-17. (Sponsored by Representative Reinhardt)

Representative Pearman moved that Floor Amendment No. 3 to **HB 366** be withdrawn. Agreed.

Representative Pearman moved that Floor Amendment No. 1 to **HB 146** be withdrawn. Agreed.

Representative Pearman moved that Floor Amendment No. 1 to **HB 992** be withdrawn. Agreed.

Representative Burch moved that **HB 187** be withdrawn. Agreed.

Representative Cline moved that the rules be suspended to allow all properly filed co-sponsor requests to be approved. Agreed.

The following members filed requests to have their names added as co-sponsors of Bills and Resolutions: Representative Caldwell, **HB 33**, **HB 486**; Representative Cline, **HB 644**; Representative Ford, **HB 486**; Representative Guenthner, **HB 486**; Representative Heleringer, **HB 703**; Representative T. Jones, **HB 787**; Representative Kidd, **HB 876**, **HB 890**, **HB 1014**, **HR 109**; Representative Maggard, **HB 486**; Representative Overstreet, **HB 686**; Representative Van Horn, **HR 46**.

Representative LeMaster moved that the rules be suspended for Introduction of Resolutions and Report of Committees. Agreed.

Introduction of Resolutions

HR 126, by Representatives Blandford and Johnson: A RESOLUTION requesting community college services be provided in Daviess County and a study be made of the feasibility of establishing a community college in that location.

HR 127, by Representatives Reinhardt, Harper, Meyer, Donnermeyer, Mann, Caldwell, Petty, Crupper, and McBee: A RESOLUTION requesting the Legislative Program Review and Investigations Committee to study the regional community health and mental retardation boards, by evaluating the cost effectiveness of these boards in delivering mental health and mental retardation services and by studying alternatives to the manner in which the regional boards provide mental health and mental retardation services.

HR 128, by Representative Thomason: A RESOLUTION honoring the late Hecht S. Lackey, Sr.

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bills and Resolutions have been posted for Committee consideration:

Appropriations and Revenue: **HB 948**, **HB 178**, **HB 269**, **HB 660**, **HB 786**, **HB 879**, **HB 996**, **HB 953**, **HB 903**, **HB 1005**, **HB 984**, **SB 118**.

Business Organizations and Professions: **SB 174**.

Health and Welfare: **HB 819**, **HCR 89**, **SB 15**, **HCR 120**, **HB 1016**.

The Clerk announced the following Bills and Resolutions were withdrawn from Committee consideration:

State Government: **HB 545**, **HB 811**, **HCR 14**, **HCR 15**, **HR 37**, **HJR 46**, **HB 477**.

Appropriations and Revenue: **HB 621**, **HB 92**, **HB 578**.

Report of Committees

The Committee on Appropriations and Revenue reported **HB 111**, with Committee Amendments attached thereto, and **HB 492**, with Committee Substitute and Committee Amendment attached thereto, with the expression of opinion that the same should pass. Ordered delivered to the Committee on Rules.

The Committee Amendment No. 2 to **HB 111** is as follows:

Amend printed copy of **HB 111**, on page 9, line 14, by deleting "one million dollars ($1,000,000)" and inserting "417,200 for fiscal year 1984-85 and $438,000 for fiscal year 1985-86" in lieu thereof.

On page 9, line 16, by deleting "for the fiscal years 1984-85 and 1985-86".

The Committee Amendment No. 3 to **HB 111** is as follows:

Amend printed copy of **HB 111**, on page 9, after line 18, by adding the following:

"Section 7. The provisions of this Act shall expire June 30, 1988."

The Committee Amendment to the Committee Substitute to **HB 492** is as follows:

Amend printed copy of Committee Substitute to **HB 492** on page 2, lines 16 through 26, and page 3, lines 1 through 5, by deleting such lines in their entirety and renumbering subsequent Sections to conform.

The Committee on Appropriations and Revenue reported **HB 633, HB 887, HB 933** with Committee Amendments attached thereto, and **HB 1006** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 633, AN ACT relating to clerks of courts and making an appropriation therefor.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 64 IS CREATED TO READ AS FOLLOWS:

Each circuit court clerk shall receive an annual expense allowance of three thousand six hundred dollars ($3,600) per year. A lump sum payment shall be made by the administrative office of the courts to each circuit court clerk in the first month of each quarter as of July, 1984, in the amount of nine hundred dollars ($900) per quarter. Such allowance shall be in addition to reimbursement for official travel and the regular compensation provided for by KRS 64.055.

Section 2. KRS 64.005 is amended to read as follows:

(1) The clerks of the supreme court, the court of appeals and the circuit courts shall collect a fee of *four dollars ($4.00)* [~~two dollars ($2.00)~~] for taking, [~~copying~~] or *filing* [~~recording~~] any bond *or release on recognizance.*

(2) Such fee shall be deposited in the general fund of the state treasury.

Section 3. For the purpose of funding this new section of KRS Chapter 64, there is appropriated out of the General Expenditure Fund in the State Treasury to the Court of Justice for court operations and administration the following sums:

1984-85	1985-86
$432,000	$432,000

HB 887, AN ACT relating to gasoline tax.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 138.210 is amended to read as follows:

As used in KRS 138.220 to 138.340, unless the context requires otherwise: (1) "Accountable loss" of gasoline means loss or destruction of "received" gasoline through wrecking of transportation conveyance, explosion, fire, flood or other casualty loss, or "received" gasoline contaminated and returned to storage; provided that any such loss shall have been reported within *thirty (30)* [~~ten (10)~~] days after discovery of such loss to the department in a manner and form prescribed by the department, supported by proper evidence which in the sole judgment of the department substantiates the alleged loss or contamination and which is confirmed in writing to the reporting dealer by the department. The department may make any investigation deemed necessary to establish the bona fide claim of the loss.

(2) "Dealer" means any person who:

(a) Imports into this state and stores, or causes to be imported into and stored in this state, gasoline for use, distribution or sale and delivery in this state after it has been stored in this state; provided that the term "dealer" as used in KRS 138.220 to 138.340 shall not include any person who imports gasoline acquired from a refiner or other supplier who, at the time of such importation, is a duly licensed dealer in this state, except as may otherwise be provided under regulations of the department.

(b) Receives or accepts delivery of gasoline within this state into bulk storage facilities owned or operated for the storage of gasoline for transhipment within or without this state.

(c) Refines, produces, distills, manufactures, blends or compounds gasoline in this state.

(d) Receives or accepts delivery within this state of gasoline for resale within this state in amounts of not less than an average of 100,000 gallons per month during any prior consecutive twelve (12) months' period, when in the opinion of the department, such person has sufficient financial rating and reputation to justify the conclusion that he will pay all taxes and comply with all other obligations imposed upon a dealer.

(3) "Department" means the department of revenue.

(4) "Gasoline" means all liquid fuels, including liquids ordinarily, practically and commercially usable in internal combustion engines for the generation of power, and all distillates of and condensates from petroleum, natural gas, coal, coal tar, vegetable ferments and all other products so usable except propane, butane or other liquefied petroleum gases, kerosene, cleaner solvent, fuel oil, diesel fuel and crude oil.

(5) "Received" or "received gasoline" shall have the following meanings:

(a) Gasoline produced, manufactured or compounded at any refinery in this state or gasoline acquired by any dealer and delivered into or stored in refinery, marine or pipeline terminal storage facilities in this state shall be deemed to be received when it has been loaded for bulk delivery into tank cars or tank trucks consigned to destinations within this state. For the purpose of the proper administration of this chapter and to prevent the evasion of the tax and to enforce the duty of the dealer to collect the tax, it shall be presumed that all gasoline loaded by any licensed dealer within this state into tank cars or tank trucks is consigned to destinations within this state unless the contrary is established by the dealer pursuant to rules and regulations prescribed by the department.

(b) Gasoline acquired by any dealer in this state, and not delivered into refinery, marine or pipeline terminal storage facilities, shall be deemed to be received when it has been placed into storage tanks or other containers for use or subject to withdrawal for use, delivery, sale or other distribution. Dealers may sell gasoline to licensed bonded dealers in this state in transport truckload, carload or cargo lots, withdrawing such gasoline from refinery, marine, pipeline terminal or bulk storage tanks, without paying the tax on such gasoline. In such instances the licensed bonded dealer purchasing such gasoline shall be deemed to have received such gasoline at the time of withdrawal from the seller's storage facility and shall be responsible to the state for the payment of the tax thereon and shall report and pay the tax on such gasoline purchased and received.

(6) "Refinery" means any place where gasoline is refined, manufactured, compounded or otherwise prepared for use.

(7) "Storage" means all gasoline produced, refined, distilled, manufactured, blended or compounded and stored at a refinery storage or delivered by boat at a marine terminal for storage or delivered by pipeline at a pipeline terminal, delivery station or tank farm for storage.

(8) "Transporter" means any person who transports gasoline on which the tax has not been paid or assumed.

(9) "Bulk storage facility" means gasoline storage facilities of not less than twenty thousand (20,000) gallons owned or operated at one (1) location by a single owner or operator for the purpose of storing gasoline for resale or delivery to retail outlets or consumers.

(10) "Average wholesale price" shall mean:

(a) The weighted average per gallon wholesale tank wagon price of gasoline, exclusive of the four cents (4) per gallon federal tax in effect on January 1, 1980, as determined by the department of revenue from information furnished by licensed gasoline dealers. Dealers shall furnish within twenty (20) days following the end of the first month of each calendar quarter, such information regarding wholesale selling prices for the previous month as may be reasonably required by the department.

(b) Notwithstanding the provisions of paragraph (a) of this subsection, for purposes of the taxes levied in KRS 138.220, 138.565, 138.660 and 234.320, in no case shall "average wholesale price" be deemed to be less than one dollar and eleven cents ($1.11) per gallon, and in no case shall "average wholesale price" be deemed to be more than one dollar and fifty cents ($1.50) per gallon on or before June 30, 1982. In fiscal year 1982-83 the "average wholesale price" shall not be deemed to increase more than ten percent (10%) over the "average wholesale price" at the close of fiscal year 1981-82; in each subsequent fiscal year the "average wholesale price" shall not be deemed to increase more than ten percent (10%) over the "average wholesale price" at the close of the previous fiscal year.

(11) "Gasoline-alcohol blend" means a mixture of gasoline and fuel-grade alcohol in which the fuel-grade alcohol content is ten percent (10%) or less of the mixture.

(12) "Fuel-grade alcohol" means methyl alcohol or at least one hundred ninety-eight (198) proof ethyl alcohol derived from United States produced coal or United States produced renewable resources that is denatured in accordance with legal requirements and is used in an internal combustion engine.

HB 933, AN ACT relating to revenue and taxation and declaring an emergency.

WHEREAS, the recent United States Supreme Court decision in *American Bank & Trust Co. v. Dallas County*, __________ U.S. __________, 103 S. CT. 3369 (1983) struck down the Texas bank shares tax because the Texas statute indirectly taxed U.S. obligations; and

WHEREAS, great uncertainty exists as to the impact of that decision on KRS 136.270; and

WHEREAS, the Commonwealth has received numerous claims requesting refunds of such tax based upon the aforesaid United States Supreme Court decision; and

WHEREAS, if the Commonwealth is required to grant such refund claims it will constitute a substantial burden upon the State Treasury and will require the enactment of an immediate and compensating provision to offset such loss in revenue; and

WHEREAS, it is necessary and proper that action be taken to alleviate the uncertainty about the validity of KRS 136.270.

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 136.010 is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Real property" includes all lands within this state and improvements thereon.

(2) "Personal property" includes every species and character of property, tangible and intangible, other than real property.

(3) "Taxable fair cash value of shares" shall mean the fair cash value of shares of stock of state banks and trust companies incorporated under the laws of this state and of national banks doing business in this state reduced by the influence of tax exempt United States obligations.

(4) "Tax exempt United States obligations" shall include all obligations of the United States exempt from taxation under 31 USC Section 3124(a) or exempt under the United States Constitution or any federal statute including the obligations of any instrumentality or agency of the United States which are exempt from state or local taxation under the United States Constitution or any statute of the United States.

Section 2. 136.270 is amended to read as follows:

(1) *For calendar year 1984 and each year thereafter* an annual tax of *ninety-five cents (95)* [~~eighty-five and one-half cents (85-1/2)~~] on each one hundred dollars ($100) of their fair cash value is hereby imposed *on the taxable fair cash of shares as determined in accordance with subsection (4) of this section* upon the shares of stock of state banks and trust companies incorporated under the laws of this state, and of national banks doing business in this state. The tax shall be paid to the sheriff of the county annually by the banks and trust companies, for and on behalf of the owners of the shares of stock. The tax shall be for state purposes only, and in lieu of all other taxes upon such shares by the state, or any county, city or other taxing district, except as provided in subsections (2) *and (3)*[~~, (3) and (4)~~] of this section.

(2) The county in which the bank or trust company is located may impose a tax *on each* [~~of not exceeding nineteen cents (19) on the~~] one hundred dollars ($100) of the *taxable* fair cash value of [~~the~~] shares *of such bank or trust company, at a rate to be determined by multiplying nineteen cents (19) by a fraction, the numerator of which is the fair cash value of shares of all banks or trust companies within the county and the denominator of which is the taxable fair cash value of shares of all banks or trust companies within the county.*

(3) The city in which the bank or trust company is located may impose a tax *on each* [~~of not exceeding nineteen cents (19) on the~~] one hundred dollars ($100) of the *taxable* fair cash value of the shares *of such bank or trust company, at a rate to be determined by multiplying nineteen cents (19) by a fraction, the numerator of which is the fair cash value of shares of all banks or trust companies within the city and the denominator of which is the taxable fair cash value of shares of all banks or trust companies within the city.*

(4) For calendar year 1984 and each year thereafter, the fair cash value and taxable fair cash value of shares shall be determined in the following manner:

(a) The net worth (capital stock, surplus, undivided profits and reserves for contingencies and other capital reserves) of the bank or trust company as of December 31 of each year shall be determined.

(b) The net income (after federal income taxes and before dividends) of the bank or trust company for the past five (5) years, or so many years in which there was net income (not to exceed five (5)) as are available, preceding the assessment date, shall be averaged and capitalized at a rate determined by the revenue cabinet.

(c) On or before September 1 of each year, the revenue cabinet shall provide to the banking industry the capitalization rate developed from the previous year's annual reports of banks and trust companies submitted to the cabinet. The rate shall be determined as follows:

1. Determine the ratio of each bank's five (5) year average net income to the previous year's net *worth;*

2. *Rank the resulting ratios; and*
3. *The medium ratio shall be the capitalization rate.*

(d) The results of the computation in paragraphs (a) and (b) of this subsection shall be added and the sum divided by two (2) to determine fair cash value. From fair cash value shall be subtracted the influence of tax exempt United States obligations to determine taxable fair cash value of shares subject to the annual tax. The influence of tax exempt United States obligations is to be determined from the reports of condition and income filed with the applicable supervisory agency as follows: the average amount of tax exempt United States obligations for the calendar year, over the average amount of total assets for the calendar year multiplied by the fair cash value.

(5) In any extraordinary case where application of the formula provided by subsection (4) of this section will result in an inequitable or erroneous assessment, either with respect to the bank or the Commonwealth, the fair cash value and taxable fair cash value of shares shall be determined in accordance with other recognized criteria.

SECTION 3. A NEW SECTION OF KRS CHAPTER 136 IS CREATED TO READ AS FOLLOWS:

(1) In the event any state bank and trust company incorporated under the laws of this state or national bank doing business in this state, receives a favorable ruling of the final court to review the question of whether the pre-1984 language of KRS 136.270 regarding taxation of bank shares is deficient by permitting direct or indirect taxation of tax exempt United States obligations, all state bank and trust companies or national banks shall be considered as having timely filed for a refund of tax remitted on that portion of shares valuation attributable to tax exempt United States obligations previously reported for the calendar years 1981, 1982 and 1983. In such case, all state bank and trust companies or national banks shall be subject to a one time annual tax of one dollar and thirty-eight cents ($1.38) on each one hundred dollars ($100) of the taxable fair cash value of the shares of stock as determined in accordance with subsection (4) of KRS 136.270. The tax shall replace the annual tax imposed in KRS 136.270(1) for the calendar year in which the refunds are authorized by the revenue cabinet provided the refunds are authorized prior to July 1. Should the refunds be authorized subsequent to July 1, the one (1) time annual tax shall become effective in the following calendar year. The tax shall be paid to the sheriff of the county by banks and trust companies, for and on behalf of the owners of the shares of stock. The tax shall be for state purposes only, and in lieu of all other taxes upon such shares by the state, or any county, city, or other taxing district, except as provided in subsections (2) and (3) of this section.

(2) The county in which the bank or trust company is located may impose a tax on each one hundred dollars ($100) of the taxable fair cash value of shares of such bank or trust company, at a rate to be determined by multiplying nineteen cents (19) by a fraction the numerator of which is the fair cash value of shares of all banks or trust companies within the county plus the fair cash value of the pre-1984 shares valuation of all bank or trust companies within the county attributable to the influence of tax exempt United States obligations subject to refund and the denominator of which is the taxable fair cash value of shares of all banks or trust companies within the county. The tax rate shall replace the tax rate provided for in KRS 136.270(2) only for the calendar year in which the refunds set forth in subsection (1) of this section are authorized by the county provided the refunds are authorized prior to July 1. Should the refunds be authorized subsequent to July 1, the tax rate shall go into effect in the following calendar year.

(3) The city in which the bank or trust company is located may impose a tax on each one hundred dollars ($100) of the taxable fair cash value of shares of such bank or trust company, at a rate to be determined by multiplying nineteen cents (19) by a fraction the numerator of which is the fair cash value of shares of all banks or trust companies within the city plus the fair cash value of the pre-1984 shares valuation of all banks or trust companies within the city attributable to the influence of tax exempt United States obligations subject to refund and the denominator of which is the taxable fair cash value of shares of all banks or trust companies within the city. The tax rate shall replace the tax rate provided for in KRS 136.270(3) only for the calendar year in which the refunds set forth in subsection (1) of this section are authorized by the city provided the refunds are authorized prior to July 1. Should the refunds be authorized subsequent to July 1, the tax rate shall go into effect in the following calendar year.

Section 4. The provisions of this Act shall apply to taxable years beginning after December 31, 1983.

Section 5. Whereas, the reporting for the calendar year 1984 to the revenue cabinet to account for the influence of the tax exempt United States obligations held by each state bank and trust company incorporated under the laws of this state and each national bank doing business in this state is necessary, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

The Committee Amendment No. 1 to **HB 933** is as follows:

Amend printed copy of **HB 933**, on page 3, line 18, by inserting after the word "*rate*" the words, *not to exceed a rate*:

On page 4, line 2, by inserting after the word "*rate*" the words, *not to exceed a rate*"

On page 7, line 8, by inserting after the word "*rate*" the words, *not to exceed a rate*"

On page 8, line 1, by inserting after the word "*rate*" the words, *not to exceed a rate.*

The Committee Amendment No. 2 to **HB 933** is as follows:

Amend printed copy of **HB 933** on page 2, lines 24 through 26, and page 3, lines 1 through 13, by deleting said lines in their entirety and inserting in lieu thereof the following:

(1) *For calendar year 1984 and each year thereafter* an annual tax of *ninety-five cents (95)* [~~eighty five and one-half cents (85 1/2)~~] *is hereby imposed* on each one hundred dollars ($100) *of the taxable fair cash value of shares as determined in accordance with subsection (4) of this section* [~~of their fair cash value is hereby imposed upon the shares of stock of state banks and trust companies incorporated under the laws of this state, and of national banks doing business in this state~~]. The tax shall be paid to the sheriff of the county annually by the banks and trust companies, for and on behalf of the owners of the shares of stock. The tax shall be for state purposes only, and in lieu of all other taxes upon such shares by the state, or any county, city or other taxing district, except as provided in subsections (2) *and (3)* [~~, (3) and (4)~~] of this section.

HB 1006, AN ACT relating to the financing of the commission on fire protection personnel standards and education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 95A.240 is amended to read as follows:

(1) The commission shall administer the fund pursuant to the provisions of KRS 95A.200 to 95A.300 and may issue such reasonable rules and regulations as, in its discretion, will facilitate the administration of the fund and further the purposes of KRS 95A.200 to 95A.300.

(2) The commission shall determine which local governments are eligible to share in the fund and may withhold or terminate payments to any local government that does not comply with the requirements of KRS 95A.200 to 95A.300 or the rules and regulations issued by the commission thereunder.

(3) The commission shall, from the moneys appropriated to *and accruing to* the fund *from any source*, reimburse the department of housing, buildings and construction for salaries and other costs of administering the fund, *including, but not limited to the expenses and costs of commission operations.* The amount of reimbursement for any given year shall be determined by the commission and shall not exceed five percent (5%) of the total appropriation to the fund for that year.

The Committee on Health and Welfare reported **HB 645** with Committee Amendment attached thereto, **HB 747, HB 772** with Committee Amendments attached thereto, **HB 845, HB 846** with Committee Amendment attached thereto, **HJR 72,** and **HB 155,** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 645, AN ACT relating to the treatment and rehabilitation of alcoholics and persons intoxicated by alcohol and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 222 IS CREATED TO READ AS FOLLOWS:

It is hereby declared to be the intent of the general assembly to:

(1) Require peace officers to issue citations in lieu of making physical arrests of persons intoxicated by alcohol in a public place; and

(2) Encourage the use of alternatives to incarceration, including treatment, for persons intoxicated by alcohol in a public place.

Section 2. KRS 222.011, 1982 Acts Chapter 312, Section 2, effective July 1, 1984, is amended to read as follows:

In this chapter the following words shall, unless the context requires otherwise, have the following meanings:

(1) "Administrator" means the person, or his designee, in charge of the operation of a treatment facility licensed by the department.

(2) "Alcoholic" means a person suffering from alcoholism.

(3) "Alcoholism" means a medically diagnosable disease characterized by chronic, habitual or periodic consumption of alcoholic beverages resulting in the (a) substantial interference with an individual's social or economic functions in the community, or (b) the loss of powers of self-control with respect to the use of such beverages.

(4) "A person under the influence of drugs" means a person whose powers of self-control have been substantially impaired because of the use of a drug described in KRS chapters 217 and 218A or the federal controlled substances act of 1970, and regulations pursuant thereto.

(5) "Secretary" means the secretary for human resources.

(6) "Cabinet" means the cabinet for human resources.

(7) "Drug addict" means any person whose use of an addictive substance has produced a condition which requires ingestion or injection of the addictive substance, or both, as a means of preventing withdrawal symptoms and of maintaining the individual's state of function.

(8) "Drug dependent person" or "drug abuser" means any person who compulsively and habitually uses drugs to the extent that they injure his health and interfere with his social and economic functioning.

(9) "Treatment facility" means any public or private place, or portion thereof, licensed by the department, providing services especially designed for the detoxification, treatment or rehabilitation of intoxicated persons or alcoholics.

(10) "*Intoxicated* [~~Incapacitated~~] by alcohol" means that a person, as a result of the use of alcohol, is:

(a) Unconscious or has his judgment otherwise so impaired that he is incapable of realizing and making a rational decision with respect to his need for *assistance* [~~treatment~~]; and

(b) Demonstrates behavior giving reasonable cause to believe he may injure himself or others or cause property damage.

(11) "Independent physician" means a physician licensed to practice in Kentucky, other than one holding an office or appointment in any department, board or agency of the Commonwealth, or in any public facility.

(12) "Juvenile" means any person who is under the age of eighteen.

(13) "Client" means any person admitted to a facility.

(14) "Treatment" means services and programs for the care and rehabilitation of persons intoxicated [~~or incapacitated~~] by alcohol and services and programs for alcoholics.

(15) "Intoxicated person" means a person *intoxicated by* [~~whose mental or physical functioning is substantially impaired as a result of the use of~~] alcohol.

(16) "*Alcohol assistance* [~~Emergency service~~] unit" means a [~~treatment~~] team *which* [~~that~~] meets minimum standards established by the cabinet and *whose members are* trained to give assistance in the streets and other public places to persons who are intoxicated [~~or incapacitated~~] by alcohol.

(17) "Responsible third party" means any person who is willing to accept responsibility for transporting a person intoxicated by alcohol to the person's home or to shelter or to a treatment facility.

SECTION 3. A NEW SECTION OF KRS CHAPTER 222 IS CREATED TO READ AS FOLLOWS:

(1) Any intoxicated person may present himself or be voluntarily brought to a treatment facility for emergency treatment.

(2) Any person who appears to be intoxicated by alcohol in a public place shall be issued a citation by a peace officer and if such person appears to be in need of help may:

(a) Be assisted to the intoxicated person's home or to a shelter or to a treatment facility by a peace officer or alcohol assistance unit or a responsible third party; or

(b) Be brought to a place of detention by a peace officer.

(3) Any intoxicated person taken to a place of detention as provided under subsection (2)(b) of this section may be detained there only until the person is no longer intoxicated or until such time that alternative arrangements for transportation, lodging or treatment can be arranged. If an intoxicated person who has been detained for a period of twelve (12) hours, is still apparently intoxicated, the person shall be taken for a medical evaluation without delay by the detaining personnel.

SECTION 4. A NEW SECTION OF KRS CHAPTER 222 IS CREATED TO READ AS FOLLOWS:

Any peace officer shall issue a citation as provided in subsection (2) of Section 3 of this Act to any person intoxicated by alcohol in a public place and if the person pleads guilty or is found guilty by the court the person shall be fined pursuant to Section 9 of this Act.

Section 5. KRS 222.232, 1982 Acts Chapter 312, Section 3, effective July 1, 1984, is amended to read as follows:

(1) Any intoxicated person or any alcoholic may apply for voluntary treatment directly to a treatment facility.

(2) Subject to rules adopted by the department, the administrator in charge of a treatment facility may determine who shall be admitted for treatment. If a person is refused admission to a treatment facility, the administrator, subject to rules adopted by the department, shall refer the person to another treatment facility for treatment if possible and appropriate.

(3) *When*[~~If~~] a person receiving inpatient care leaves a treatment facility he shall be encouraged to consent to appropriate outpatient or intermediate treatment. If it appears to the administrator in charge of the treatment facility that the person is an alcoholic who needs further treatment, the department shall arrange for assistance in obtaining supportive services and residential facilities.

Section 6. KRS 222.236, 1982 Acts Chapter 312, Section 5, effective July 1, 1984, is amended to read as follows:

(1) An intoxicated person who presents a danger or threat of danger to self, family or others as a result of intoxication[~~, or is incapacitated~~] by alcohol may be admitted to a treatment facility for emergency treatment. For the purpose of this section "danger" or "threat of danger to self, family or others" shall mean a threat of substantial physical harm upon self, family or others, including actions which deprive self, family or others of the basic means of survival including provisions for reasonable shelter, food or clothing.

(2) An independent physician, spouse, guardian, or relative of an intoxicated person, or any responsible person may make a written application for admittance of an intoxicated person to a treatment facility for emergency treatment. The application for admittance shall state the specific facts to support the need for emergency treatment and shall be accompanied by an independent physician's statement certifying that he has examined the intoxicated person not less than two (2) days prior to the date of application for admittance to a treatment facility for emergency treatment. No physician employed by the admitting treatment facility or the department shall be eligible to be the certifying physician.

(3) Pursuant to the approval of the application for admittance to the treatment facility by the administrator of such facility, the person shall be brought to the facility by a peace officer, *alcohol assistance* [~~emergency service~~] unit, the client's spouse, the client's guardian, or any other interested person including the client himself. The client shall be retained at the facility to which he was admitted, or transferred to another appropriate public or private treatment facility until discharged under subsection (5) of this section.

(4) The administrator of the treatment facility shall refuse an application if in his opinion the application and certificate fail to sustain the grounds for admittance.

(5) When on the advice of the medical staff the administrator determines that the grounds for admittance no longer exist, he shall discharge a person admitted under this section. No person admitted under this section shall be detained in any treatment facility for more than seventy-two (72) hours.

(6) A copy of the written application for admittance and of the independent physician's certificate, and a written explanation of the client's rights, including the right to counsel, shall be given to the person within twelve (12) hours after admittance by the administrator, who shall provide a reasonable opportunity for the person to obtain and consult counsel.

Section 7. KRS 222.237, 1982 Acts Chapter 312, Section 6, effective July 1, 1984, is amended to read as follows:

(1) The cabinet or any city or county may establish *alcohol assistance* [~~emergency service~~] units. Existing governmental personnel may be utilized for this purpose. Members of an *alcohol assistance* [~~emergency service~~] unit shall be capable of providing first aid in emergency situations and shall transport intoxicated [~~or incapacitated~~] persons to their homes *or to shelters or* [~~and~~] to treatment facilities.

(2) The secretary shall adopt rules for the establishment, training, and conduct of *alcohol assistance* [~~emergency service~~] units.

SECTION 8. A NEW SECTION OF KRS CHAPTER 222 IS CREATED TO READ AS FOLLOWS:

All fines collected under the provisions of Section 9 of this Act shall be deposited in a trust and revolving fund, which is hereby created within the cabinet for human resources, to be used solely for the purpose of providing transportation, alternative shelter, detoxification, and treatment services for alcohol abusing persons.

SECTION 9. A NEW SECTION OF KRS CHAPTER 222 IS CREATED TO READ AS FOLLOWS:

(1) A person is guilty of public intoxication by alcohol when he appears in a public place manifestly under the influence of alcohol to the extent that he is intoxicated as defined in Section 2 of this Act.

(2) Any person who violates subsection (1) of this section shall for each offense be fined seventy-five dollars ($75) and for a third or subsequent offense within a twelve (12) month period shall each time also appear before the district judge for a disposition regarding voluntary admission to a licensed treatment program under the provisions of KRS Chapter 222. Any such admitted person not satisfactorily participating

in such a treatment program, as determined by the court, shall be confined to jail for not more than thirty (30) days.

Section 10. KRS 244.020, 1982 Acts Chapter 312, Section 9, effective July 1, 1984, is amended to read as follows:

[~~(1)~~] No person shall drink any alcoholic beverage in any public place, in or upon any passenger coach, streetcar or other vehicle commonly used for the transportation of passengers, or in or about any depot, platform or waiting room.

[~~(2) A person intoxicated by alcohol in a public place shall be treated as provided in KRS 222.234.~~]

Section 11. KRS 244.990, 1982 Acts Chapter 312, Section 10, effective July 1, 1984, is amended to read as follows:

(1) Any person who, by himself or acting through another, directly or indirectly, violates any of the provisions of this chapter for which no other penalty is provided, except KRS 244.380 to 244.470, shall, for the first offense, be fined not less than one hundred ($100) nor more than two hundred dollars ($200) or imprisoned in the county jail or workhouse for not more than six (6) months, or both; and for the second and each subsequent violation, he shall be fined not less than two hundred ($200) nor more than five hundred dollars ($500) or imprisoned in the county jail or workhouse for not more than six (6) months, or both. The penalties provided for in this subsection shall be in addition to the revocation of the offender's license. If the offender is a corporation, joint stock company, association or fiduciary, the principal officer or officers responsible for the violation may be imprisoned.

(2) Any person who violates KRS 244.020[~~(1)~~] shall be fined not less than ten (10) nor more than one hundred dollars ($100) [~~or imprisoned not less than five (5) nor more than thirty (30) days, or both~~].

(3) Any person who violates KRS 244.170 shall, upon the first conviction, be fined not less than fifty ($50.00) nor more than five hundred dollars ($500) and may in addition be imprisoned in the county jail for not more than six (6) months. Upon a second conviction he shall be imprisoned in the penitentiary for not less than one (1) year, nor more than five (5) years. Upon the third and each subsequent conviction, he shall be imprisoned in the penitentiary for not less than five (5) nor more than ten (10) years. Upon the second or any subsequent conviction of a corporation for a violation of KRS 244.170, it shall be fined not less than one thousand dollars ($1,000) nor more than five thousand dollars ($5,000).

(4) Any person who violates any of the provisions of KRS 244.480 to 244.600 shall be fined not less than fifty dollars ($50.00) nor more than five hundred dollars ($500).

(5) Any person, firm or corporation violating any provision of KRS 244.083 and 244.085 shall be fined not less than ten dollars ($10.00) nor more than a hundred dollars ($100) and each violation shall constitute a separate offense.

(6) Any person who violates the provisions of subsection (5) of KRS 244.085 shall, for the first offense, be fined not less than fifty dollars ($50.00) nor more than five hundred dollars ($500) and for each subsequent offense shall be fined not less than two hundred dollars ($200) nor more than two thousand dollars ($2,000).

Section 12. KRS 222.234 Alternative methods of dealing with intoxicated person, 1982 Acts Chapter 312, Section 4, effective July 1, 1984, is repealed.

Section 13. Whereas, 1982 Acts Chapter 312 is scheduled to become effective on July 1, 1984, fifteen (15) days before the normal effective date of other legislation passed at the 1984 Regular Session of the general assembly and would create a conflict therewith, an emergency is declared to exist and this Act shall become effective on July 1, 1984.

The Committee Amendment No. 1 to **HB 645** is as follows:

Amend printed copy of **HB 645** on page 9, line 8, by deleting the words "*All fines*" and inserting in lieu thereof the following: "*(1) Fifty percent (50%) of each fine*";

And between lines 14 and 15, by inserting the following new subsection: "*(2) Fifty percent (50%) of each fine collected under Section 9 of this Act shall be deposited in the general fund and shall be appropriated solely for the purpose of providing the deputy circuit clerks necessitated for the proper administration of this Act.*"

And on line 22, by deleting the words "*seventy-five*" and inserting in lieu thereof the word "*fifty*";

And on line 23, by deleting "*($75)*" and inserting in lieu thereof "*($50)*";

And on page 10, line 2, by deleting the word "*admitted*";

And on page 10, between lines 5 and 6, by inserting the following new subsections:

"(3) KRS 17.150 to the contrary notwithstanding, each district court shall report convictions under this section to the justice cabinet for inclusion in the centralized criminal record information system.

(4) The justice cabinet shall enter all records received in the centralized criminal record information system and shall make them available to courts and to other agencies specified in KRS 17.150.

(5) Before sentencing a person for public intoxication, the court or jury shall consider the prior record of the defendant for violations of subsection (1) of this section.

(6) The county attorney shall make the defendant's prior record available to the court or jury, as appropriate, after a plea of guilty by the defendant or a conviction of the defendant for a violation of subsection (1) of this section."

HB 747, AN ACT relating to community mental health and mental retardation programs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 210.380 is amended to read as follows:

Every combination of cities and counties establishing a regional community mental health and mental retardation services program shall, before it comes within the provisions of KRS 210.370 to 210.460, establish a community mental health-mental retardation board consisting of at least nine (9) members. When a nonprofit corporation is the administrator of such a program not established by a combination of either cities or counties, such corporation shall select a community mental health-mental retardation board which shall be representative of the groups herein enumerated, but the number of members need not be nine (9). When any combination of cities and counties establishes a regional community mental health and mental retardation services program, the chief executive officer of each participating city or county shall appoint two (2) members to a selecting committee which shall select the members of the board. Membership of the community mental health-mental retardation boards shall be representative of the elected chief executives of county governments, local health departments, medical societies, county welfare boards, hospital boards, lay associations concerned with mental health and mental retardation as well as labor, business and civic groups and the general public*; provided that at least twenty-five percent (25%) or the nearest whole number to twenty-five percent (25%) of the total number of members selected for each board shall be appointed by the secretary of the cabinet for human resources from a list of nominees submitted to the secretary by the county judge/executive of each county within the respective board's service area.*

HB 772, AN ACT relating to medical and osteopathic licensure.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 311.550 is amended to read as follows:

As used in KRS 311.530 to 311.620 and 311.990(8) to (11):

(1) "Board" means the state board of medical licensure;

(2) "President" means the president of the state board of medical licensure;

(3) "Secretary" means the secretary of the state board of medical licensure[~~, or any assistant secretary thereof appointed as such by the board~~];

(4) "Executive director" means the executive director of the state board of medical licensure or any assistant executive directors appointed by the board;

(5) "General counsel" means the general counsel of the state board of medical licensure or any assistant general counsel appointed by the board;

(6) "Regular license" means a license to practice medicine or osteopathy at any place in this state;

(7)[~~(5)~~] "Limited license" means a license to practice medicine *or osteopathy* in a specific institution to the extent indicated in *the* [~~said~~] license[~~, except that no person who is the holder of a limited license on September 1, 1972, shall be restricted to an institutional practice without his consent~~];

(8)[~~(6)~~] "Temporary permit" means a permit issued to a person who has applied for a regular license, and who appears (from verified information in the application) to the secretary to be qualified and eligible therefor;

(9)[~~(7)~~] "Emergency permit" means a permit issued to a physician currently licensed in another state, authorizing him to practice in this state for the duration of a specific medical emergency, not to exceed thirty

(30) days*;*[~~.~~]

(10)[~~(8)~~] Except as provided in subsection *(11)* [~~(9)~~] of this section, the "practice of medicine or osteopathy" means the diagnosis, treatment or correction of any and all human conditions, ailments, diseases, injuries, or infirmities by any and all means, methods, devices or instrumentalities*;*[~~.~~]

(11)[~~(9)~~] The "practice of medicine or osteopathy" does not include the practice of Christian Science, the practice of podiatry as defined in KRS 311.380, the practice of dentistry as defined in KRS 313.010, the practice of optometry as defined in KRS 320.210, the practice of chiropractic as defined in subsection (2) of KRS 312.015, the practice as a nurse as defined in KRS 314.011, the performance of duties for which they have been trained by emergency medical technicians or medical emergency dispatchers certified by the cabinet for human resources, the practice of pharmacy by persons licensed and registered under KRS 315.050, the sale of drugs, nostrums, patented or proprietary medicines, trusses, supports, spectacles, eyeglasses, lenses, instruments, apparatus, or mechanisms that are intended, advertised or represented as being for the treatment, correction, cure or relief of any human ailment, disease, injury, infirmity or condition, in regular mercantile establishments, or the practice of midwifery by women; provided, however, that KRS 311.550 to 311.620 shall not be construed as repealing the authority conferred on the cabinet for human resources by KRS Chapter 211 to provide for the instruction, examination, licensing and registration of all midwives through county health officers.

(12)[~~(10)~~] "Physician" means a doctor of medicine or a doctor of osteopathy*;*[~~.~~]

(13) "Committee" means the physician review advisory committee unless otherwise indicated from the context;

(14) "Grievance" means any allegation in whatever form alleging misconduct by a physician;

(15) "Charge" means a specific allegation contained in any document issued by the board or its committees alleging a violation of a specified provision of this chapter;

(16) "Complaint" means a formal administration pleading authorized by the board that sets forth charges against a physician and commences a formal disciplinary proceeding; and

(17)[~~(11)~~] As used in KRS 311.595(4), "crimes involving moral turpitude" shall mean those crimes which have dishonesty as a fundamental and necessary element, including, but not limited to crimes involving theft, embezzlement, false swearing, perjury, fraud, or misrepresentation.

Section 2. KRS 311.565 is amended to read as follows:

The board is authorized and empowered to:

(1) [~~Subject to the provisions of KRS 311.550 to 311.620, the board shall~~] Exercise all [~~of~~] the administrative functions of the state in the prevention of empiricism and in the regulation of the practice of medicine and osteopathy*;*[~~.~~]

(2) Promulgate [~~The board is authorized to issue~~] reasonable rules and regulations establishing [~~requirements, standards and tests to determine the~~] moral, physical, intellectual, educational, scientific, technical and professional qualifications of applicants for licenses and permits *that may be issued by the board;*

(3) [~~to practice medicine and osteopathy, and to~~] Issue, deny, suspend, limit, restrict and revoke *any* licenses *or permits that may be issued by the board*, and to *reprimand or to* place licensees on probation, in compliance with the provisions of KRS *311.530* [~~311.550~~] to 311.620[~~, so as to carry out the legislative policy declared in KRS 311.555, provided, however, that the board shall not have power to authorize any person to engage in the practice of podiatry as defined in KRS 311.380, the practice of dentistry as defined in KRS 313.010, the practice of optometry as defined in KRS 320.210, the practice of chiropractic as defined in subsection (2) of KRS 312.015, the practice of nursing as defined in KRS 314.011, the practice of pharmacy by persons licensed and registered under KRS 315.050 or the practice of midwifery so long as midwifery is regulated by any other state agency.~~

~~(2) The board is authorized in its sound discretion to:~~

~~(a) Appoint one or more assistant secretaries, who need not be members of the board, and fix their compensation. Each assistant secretary shall be under the supervision and control of the secretary and shall be authorized to discharge the duties of the secretary as provided by KRS 311.550 to 311.620~~].

(4) Appoint an executive director and assistant executive directors and fix their compensation. The executive director shall oversee the work of the board, shall be authorized to discharge the duties of the secretary as provided by KRS 311.530 to 311.620 and shall carry out the duties of the executive director as set forth elsewhere in this chapter;

(5) Appoint a general counsel and assistant general counsel and fix their compensation;

(6) Appoint investigatory personnel and fix their compensation;

(7)[~~(b)~~] Appoint one (1) or more hearing officers, who need not be members of the board, and fix their compensation. Every such hearing officer shall be vested with the full and complete power and authority of the board to schedule and conduct hearings on behalf of and in the name of the board on all matters referred for hearing by the board or secretary thereof, including, among other things, proceedings for placing licensees on probation and for limitation, suspension and revocation of licenses, and shall cause to be prepared and furnished to the board, for decision thereon by the board, a complete written transcript of the

record of the hearing [~~which shall contain all evidence introduced at the hearing~~] and all pleas, motions and objections and all rulings of the hearing officer. Every such hearing officer shall be authorized to administer oaths and issue summonses, notices and subpoenas, but shall not be empowered to place any licensee on probation or to issue, refuse, suspend, limit or revoke any license;[~~.~~]

(8) Appoint committees of licensees, who need not be board members, to review issues before the board and make recommendations to the board, including a physician review advisory committee, which may have at least one (1) non-physician member and which shall have the power to review grievances and recommend action to the board in accordance with the provisions of Sections 4 and 5 of this Act;

(9) Promulgate regulations to promote the efficient and fair conduct of disciplinary proceedings;

(10)[~~(c)~~] Promulgate a code of *professional ethical* conduct governing the practice of medicine and osteopathy, which shall be based upon generally recognized principles of professional ethical conduct;[~~.~~]

(11)[~~(d)~~] Utilize *the* [~~gratuitous~~] services and facilities of professional organizations, and procure and receive the assistance and recommendations of *professional* [~~said~~] organizations in administering KRS *311.530* [~~311.550~~] to 311.620;[~~.~~]

(12)[~~(e)~~] Make its personnel and facilities available to other *governmental entities under mutually agreeable terms and conditions;* [~~regulatory boards, commissions and agencies upon such terms and conditions for reimbursement as may be mutually agreed to by and between the board and such other board, commission or agency.~~

~~(f) Enter into reciprocal agreements with medical examining boards of other states, having qualifications and standards at least as high as those of this state, providing for reciprocal licensure without further examination of persons who have been duly licensed upon written examination. Approval of such agreements by the Governor, or any other officer or agency of this state, shall not be required.~~]

(13)[~~(g)~~] Issue regular licenses [~~by endorsement, and~~] without further *testing by endorsement from* [~~examination, to persons who have successfully completed a written examination in~~] another state having qualifications and standards at least as high as those of this state[~~,~~] or [~~who have successfully passed an examination conducted~~] by *endorsement from* the National Board of Medical Examiners, the National Board of Examiners for Osteopathic Physicians and Surgeons, or any approved successors thereof;[~~.~~]

(14) Issue and renew regular licenses to practice medicine or osteopathy in accordance with KRS 311.530 to 311.620 and any reasonable rules and regulations of the board;

(15)[~~(h)~~] Issue and renew, or refuse to issue or renew, or cancel and terminate limited licenses *for institutional practice according to reasonable terms and conditions established* [~~pursuant to rules and regulations prescribed~~] by the board;[~~.~~]

(16) Renew limited licenses for general practices in a specified locale to those persons who held limited licenses for general practice as a of September 1, 1972;

(17)[~~(i)~~] Appoint examiners, who need not be members of the board, and employ or contract with the *Federation of State Medical Boards of the United States, Inc.* [~~American Public Health Association~~] or the national board of medical examiners or other organizations, agencies or individuals to prepare examinations questions and grade examination papers;[~~.~~]

(18)[~~(j)~~] Determine the schools, colleges, universities, institutions, and training acceptable in connection with licensure under KRS *311.530* [~~311.550~~] to 311.620;[~~.~~]

(19)[~~(k)~~] Prescribe the time, place, method, manner, scope and content of examinations; Provided, however, That at least two (2) examinations shall be held annually;[~~.~~]

(20)[~~(l)~~] Prescribe all forms which it considers appropriate, and require the submission of photographs, fingerprints, and personal history data;[~~.~~]

(21)[~~(m)~~] Prescribe and collect reasonable fees and charges for examinations, directories and the issuance and renewal of licenses and permits;[~~.~~]

(22) Impose fines of not greater than five thousand dollars ($5,000) per violation upon a finding pursuant to disciplinary proceedings that the licensee has violated any provision of KRS 311.595 to 311.597 or duly promulgated disciplinary regulation of the board.

SECTION 3. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) No applicant who is a graduate of a medical or osteopathic school located within the United States and its territories and protectorates or Canada shall be eligible for a regular license to practice medicine in the Commonwealth unless the applicant:

(a) Is able to understandably speak, read and write the English language;

(b) Has graduated from an accredited college or university or has satisfactorily completed a collegiate course of study necessary for entry into an approved medical or osteopathic school or college;

(c) Has graduated from a prescribed course of instruction in a medical or osteopathic school or college situated in the United States or Canada and approved by the board;

(d) Has satisfactorily completed a prescribed course of postgraduate training of at least one (1) full year's duration and approved by the board;

(e) Has successfully completed, in a single sitting, an examination prescribed by the board; and

(f) Has fulfilled all other reasonable qualifications for regular licensure that the board may prescribe by regulation.

(2) No applicant who is a graduate of a medical or osteopathic school located outside the United States or Canada shall be eligible for a regular license to practice medicine in the Commonwealth unless the applicant:

(a) Is able to understandably speak, read and write the English language;

(b) Has successfully completed a course of study necessary for entry into an approved medical or osteopathic school or college;

(c) Has graduated from a prescribed course of instruction in a medical or osteopathic school or college situated outside the United States or Canada and approved by the board or is a citizen of the United States and has been awarded a diploma by an approved medical or osteopathic school located within the United States or Canada as part of a program designed to allow for the transfer of students to such schools from schools located outside the United States or Canada;

(d) Has successfully completed, in a single sitting, an examination prescribed by the board;

(e) Has been certified by the educational commission for foreign medical graduates or by an approved United states specialty board;

(f) Has satisfactorily completed at least three (3) full years of prescribed courses of postgraduate training approved by the board; and

(g) Has fulfilled all other reasonable qualifications for regular licensure that the board may prescribe by regulation.

(3) No applicant shall be eligible for a limited license-institutional practice unless the applicant:

(a) Has fulfilled all the requirements for regular licensure as delineated in subsection (1) of this section; or

(b) Has fulfilled the requirements for regular licensure as delineated in paragraphs (a) through (e) and (g) of subsection (2) of this section and in addition has satisfactorily completed a prescribed course of postgraduate training of at least one (1) full year's duration approved by the board; and

(c) Has fulfilled all other reasonable qualifications for limited licensure that the board may prescribe by regulation.

(4) The board may grant an applicant a limited license-institutional practice for an unrenewable period of one (1) year if the applicant:

(a) Has fulfilled the requirements for regular licensure as delineated in subsection (2)(a), (b), (d), (e) and (g) of this section.

(b) Has fulfilled the requirements for a limited license-institutional practice as indicated in subsection (3)(c) of this section; and

(c) Has satisfactorily completed a prescribed course of postgraduate training of at least one (1) full year's duration approved by the board.

(5) An applicant seeking regular licensure in the Commonwealth who was originally licensed in another state may obtain licensure in the Commonwealth without further testing and training if the applicant:

(a) Has been endorsed in writing by the applicant's original licensing state as being currently licensed in goodstanding in that state; and

(b) Would have satisfied all the requirements for regular licensure described in the preceding subsections had the applicant sought original licensure in this state.

(6) No applicant shall be granted licensure in the Commonwealth unless the applicant has successfully completed an examination prescribed by the board in accordance with any rules that the board may establish by regulation concerning passing scores, testing opportunities and test score recognition.

(7) Notwithstanding any of the requirements for licensure established by subsections (1) to (6) of this section, the board may deny licensure to an applicant without a prior hearing upon a finding that the applicant has violated any provision of KRS 311.595 or 311.597 or is otherwise unfit to practice, provided that upon request an applicant shall be accorded an opportunity to show cause why he should not be denied licensure.

(8) Notwithstanding any of the foregoing, the board may grant licensure to an applicant in extraordinary circumstances upon a finding by the board that based on the applicant's exceptional education, training and practice credentials, the applicant's practice in the Commonwealth would be beneficial to the public welfare.

SECTION 4. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) Grievances may be submitted by any individual, organization or entity. Each grievance shall be investigated as necessary and shall be reviewed by the physician review advisory committee which shall petition the board to issue a complaint against the physician named in the grievance or recommend some other appropriate action.

(2) If in the committee's opinion a grievance warrants the issuance of a complaint against a

physician, the committee shall submit a complaint, signed by the chairman or vice-chairman, to the board together with a petition requesting the board to authorize the complaint's issuance. Upon receipt of the complaint and petition the board shall, within sixty (60) days:

(a) Grant the petition and authorize the complaint with or without modification; or

(b) Deny the petition and either remand the matter to the committee or direct that some other action be taken.

(3) If in the committee's opinion a grievance does not warrant the issuance of a complaint against a physician, the committee shall submit a report and recommendation of action to the board which may follow the recommendation or take other action it deems appropriate.

(4) When in the executive director's opinion, as evidenced by his or her affidavit, a grievance warrants the issuance of a complaint against a physician as soon as possible and it is impossible to timely present the grievance to the committee, the executive director may petition the board to authorize the issuance of a complaint which shall be signed by the executive director. The board may thereupon treat the petition and complaint as denoted in subsection (2) of this section.

(5) All complaints shall be authorized by the board and shall contain sufficient information to apprise the named physician of the general nature of the charges.

(6) If, in connection with any document submitted in regard to an application for licensure or an application for renewal of licensure, a physician makes an admission of facts which would constitute grounds for the denial of a license or discipline of a licensee, the board may issue an order directing the particular physician to appear to show cause why his license should not be denied or he should not be disciplined, accordingly. The order shall be signed by the president or secretary and shall set forth those facts which the named physician is believed to have admitted.

(7) Proceedings pursuant to the issuance of a complaint or show cause order shall be commenced by service of the particular documents on the named physician by personal delivery or by certified mail to the physician's last address of which the board has record. The physician shall submit a response to a complaint within thirty (30) days after service and failure to submit a response may be taken by the board as an admission of the charges contained in the complaint. The physician may submit a response to a show cause order at any time prior to the date of the hearing.

(8) The board or the hearing officer on behalf of the board shall preside over all proceedings pursuant to the issuance of a complaint or show cause order, including hearings held in connection with orders temporarily suspending, limiting or restricting a physician's license. The proceedings shall be held in accordance with due process and the rules and regulations established by the board relating to the conduct of the proceedings. All board members, the executive director and hearing officers shall have the authority to administer oaths and issue summonses, subpoenas and other process. During or after any proceeding, the board or the hearing officer may petition the district or circuit courts to punish as contempt the failure of a person or entity to obey a subpoena or other process, or contemptuous or contumacious conduct directed to the board or the hearing officer.

(9) Except as elsewhere provided, or if waived, no hearing at which substantive evidence is to be introduced shall be held unless thirty (30) days prior written notice thereof has been given to the named physician, who may be present, in person or by counsel, and may present evidence and otherwise be heard in opposition to the charges.

(10) Notwithstanding any statutory or regulatory provision relating to the institution or procession of proceedings relating to the denial of a license or discipline of a licensee, the board is empowered to implement procedures which, upon written waiver of rights by the particular physician, would allow for the informal dispensation of any matter, regardless of the stage of the proceedings.

(11) The presiding officer at any proceeding held pursuant to a complaint or show cause order shall take whatever measures are necessary to protect the privacy interests of individuals or entities upon a showing that evidence is to be introduced, the public disclosure of which would constitute a clear invasion of personal privacy. It is the general policy of the Commonwealth that administrative proceedings should be open to the public. Therefore, in applying this subsection the presiding officer shall balance the competing interests and employ the least restrictive measures available to protect the privacy interests involved.

SECTION 5. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) In connection with any petition requesting the board to authorize the issuance of a complaint, the petitioning party may also request the board to issue an order temporarily suspending, limiting or restricting the license held by the physician named in the complaint during the pendency of the proceedings. The petition shall set forth grounds upon which the petitioning party is relying to support the request and the petition shall be verified by the petitioning party.

(2) At any time during the pendency of a proceeding commenced pursuant to the authorized issuance of a complaint or show cause order, the executive director may petition the board to issue an order temporarily suspending, limiting or restricting the license held by the physician named in the complaint during the balance of the pendency of the proceeding. The executive director shall sign and verify the petition which

shall set forth grounds in support of the request.

(3) (a) Upon submission of a verified petition requesting the board to issue an order temporarily suspending, limiting or restricting the license of a physician, the board shall within sixty (60) days:

1. *Grant the petition, and issue the order with or without modification; or*
2. *Deny the petition.*

(b) The board may grant the petition when in the opinion of the board, based upon sufficient reasonable cause, the continued unaffected practice by the named physician would constitute a danger to the health, welfare and safety of the physician's patients or of the general public.

(4) Any order temporarily suspending, limiting or restricting a license shall be effective when issued and the named physician shall not engage in any prohibited practice unless and until the order is reversed, modified or withdrawn. The named physician may petition the board in writing requesting a hearing to determine whether the board's order is based on sufficient reasonable cause. The hearing, if requested, shall be held within fifteen (15) days after the petition is filed with the board; and the board, or the hearing officer on behalf of the board, shall issue an order within five (5) days after the hearing sustaining, modifying or withdrawing the contested order during the pendency of the proceedings.

(5) Except in extraordinary circumstances when the demands of time and circumstance do not allow, anyone petitioning the board to issue an order temporarily suspending, limiting or restricting a physician's license shall notify the physician of the nature of the charges at least ten (10) days prior to the submission of the petition. The named physician may respond to the charges either orally or in writing and the response shall be considered by the board in determining whether to grant the petition.

(6) Any order issued pursuant to a hearing on an order temporarily suspending, limiting or revoking a physician's licensed shall be considered final for purposes of appeal.

SECTION 6. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) Except for those orders denying an application for licensure or temporarily suspending, limiting or restricting a physician's license, all orders of the board affecting a physician's license shall become effective thirty (30) days after notice is given to the licensee unless otherwise agreed; however, the board may provide that an order be effective immediately when, in the board's opinion, based upon sufficient reasonable cause, the health, welfare and safety of the physician's patients or the general public would be endangered by delay.

(2) Any physician who is aggrieved by a final order of the board denying a license or disciplining a licensee may, within thirty (30) days after receiving notice of the order, seek judicial review of the order by filing a petition with the circuit court of the county in which the board's offices are located, naming the board as respondent. The petition shall set forth with particularity grounds upon which the petitioner relies and the relief which the petitioner seeks. The petitioner shall cause the petition to be served by service of summons and a copy of the petition on the board's executive director or general counsel.

(3) Upon service of summons and the petition, the executive director shall, within thirty (30) days, file a certified transcript of the record, containing all testimony, pleadings, exhibits and orders, including the order to be reviewed. The court may enlarge this time or may order all or portions of the record to be produced without delay as the court deems appropriate.

(4) If the petition seeks immediate injunctive relief, the court shall not award such relief without providing the board with the reasonable opportunity to be heard. A final order of the board affecting a physician's license shall remain in effect unless and until the court enters an order reversing or enjoining the board's order.

(5) Within twenty (20) days of receiving proper service of the summons and petition seeking judicial review of an order of the board, the board shall file a response generally setting forth its position and may make all motions it deems appropriate. The court shall thereafter rule upon all motions and shall establish a schedule for the filing of briefs and the hearing of oral argument, if oral argument is requested by either party.

(6) Upon consideration of the record, the briefs and oral argument, the court shall enter judgment either upholding or reversing the board's order. No new evidence shall be introduced in the circuit court. In the event the board's order is reversed, the court shall, upon request of the board, remand the case to the board for further proceedings.

(7) Any party aggrieved by the final judgment, order or decree of the circuit court relative to an order of the board or any party aggrieved by an order of the circuit court awarding or denying preliminary injunctive relief may appeal to the Court of Appeals of Kentucky and thereafter to the Supreme Court of Kentucky as set forth by law.

Section 7. KRS 311.575 is amended to read as follows:

(1) Whenever, in the opinion of the secretary, based upon verified information contained in the application, an applicant for a regular license to practice medicine or osteopathy is eligible therefor under *subsections* [~~subsection~~] (1) *and (2) of Section 3 of this Act* [~~KRS 311.570~~], the secretary may issue to such applicant, on behalf of the board, a temporary permit which shall entitle the holder to practice medicine or osteopathy in this state for a maximum of six months from date of issuance thereof unless the temporary

permit is sooner cancelled by the secretary, who may cancel it at any time, without a hearing, for reasons deemed sufficient to him, and who shall cancel it immediately upon direction by the board or upon the board's denial of the holder's application for a regular license. The permit shall not be renewable.

(2) The secretary shall present to the board the application for a regular license made by the holder of the temporary permit. In the event the board issues a regular license to the holder of a temporary permit, the fee paid in connection with any temporary permit then in effect shall be applied upon the prescribed license fee.

(3) When the secretary cancels a temporary permit, he shall promptly notify, by registered United States mail, the holder of the temporary permit, at his last known address as reflected by the files of the board, and the temporary permit shall become terminated and of no further force and effect three (3) days after the giving of said notice to the holder.

Section 8. KRS 311.555 is amended to read as follows:

It is the declared policy of the general assembly of Kentucky that the practice of medicine and osteopathy should be regulated and controlled as provided in KRS *311.530* [~~311.550~~] to 311.620 in order to prevent empiricism and to protect the health and safety of the public. Further, the general assembly of Kentucky has created the board, as defined in KRS 311.530, to function as an independent board, the majority of whose members are licensed physicians, with the intent that such a peer group is best qualified to regulate, control and otherwise discipline the licensees who practice medicine and osteopathy within the Commonwealth of Kentucky. In furtherance of this intent, the judiciary of the Commonwealth of Kentucky, who may be caused to review the actions of the board, shall modify, remand or otherwise disturb those actions only in the event:

(1) That the action of the board constitutes a clear abuse of its discretion;

(2) That the action of the board is clearly beyond its legislative delegated authority; or

(3) That the action of the board violated the procedure for disciplinary action as described in *Section 4 of this Act* [~~KRS 311.596~~].

Section 9. KRS 311.922 is amended to read as follows:

(1) Any person whose application for a certificate is denied is entitled to a hearing before the board if he submits a written request to the board.

(2) Proceedings for denial, revocation or suspension of a certificate shall be conducted consistent with KRS 311.595 and *Section 4 of this Act* [~~311.596~~].

(3) On application, the board may reissue a certificate to a person whose certificate has been cancelled or revoked, but the application may not be made prior to the expiration of a period of six (6) months after the order of cancellation or revocation has become final, and application shall be made in the manner and form as the board may require.

Section 10. The following KRS sections are repealed:

311.570 Eligibility for licenses -- Examinations -- Rules and regulations.

311.596 Proceedings for probation, suspension, limitation, restriction or revocation of a license -- Hearing -- Declaratory judgment -- Appeal.

311.598 Temporary suspension, limitation or restriction upon a license -- Hearing -- Judicial review.

The Committee Amendment No. 1 to **HB 772** is as follows:

Amend printed copy of **HB 772,** on page 4, line 4, delete the word "*administration*" and insert in lieu thereof the word "*administrative*"

On page 7, line 15, delete the words "*professional ethical*";

On page 9, line 5, delete the word "*practices*" and insert in lieu thereof the word "*practice*"; also on page 9, line 7, delete the letter "*a*";

On page 13, line 3, delete the period "." and insert in lieu thereof a semi-colon ";";

On page 16, line 4, delete the words "*discipline of a*" and insert in lieu thereof the words "*the taking of any disciplinary action against a license or*";

On page 17, line 21, after the word "*or*" insert the words "*the taking of disciplinary action against a license or*"; and also on page 17, line 21, delete the letters "*disci-*"; and also on page 17, line 22, delete the phrase "*pline of a*";

On page 18, line 4, delete the words "*or entities*" and insert in lieu thereof the words "*other than the charged physician*";

On page 20, line 19, delete the word "*licensed*" and insert in lieu thereof the word "*license*";

On page 21, line 9, delete the words "*disciplining a*" and insert in lieu thereof the words "*rendering disciplinary action against a license or*";

On page 25, between lines 22 and 23, by inserting the following new section:

"Section 10. KRS 311.530 is amended to read as follows:

There is hereby created in state government an independent board to be known as the state board of medical licensure which shall exercise all medical and osteopathic licensure functions heretofore exercised by the state board of health. The offices of the board shall be maintained at such place as is designated by the board. The board shall consist of seven (7) voting members appointed by the governor, and the deans of the University of Kentucky and University of Louisville medical schools, and the secretary of the department for human resources or his designee as ex officio, non-voting members. One (1) member shall be a licensed osteopathic physician and shall be appointed from a list of three (3) names submitted by the Kentucky osteopathic association. Five (5) members shall be licensed medical physicians and shall be appointed from a list of three (3) names submitted for each position by the Kentucky medical association. One (1) member shall be a citizen at large who is *a representative of a recognized consumer advocacy group with an interest in the delivery of health care and is* not associated with or financially interested in the practice or business regulated."

And on page 25, line 23, by renumbering "Section 10" as "Section 11".

The Committee Amendment No. 2 to **HB 772** is as follows:

Amend printed copy of **HB 772** on page 6, line 24, by deleting the opening bracket in front of the word "~~which~~"; and by deleting the strike throughs in all words on line 24;

And on line 25, by deleting the strike throughs in the word "~~hearing~~"; and by deleting the closing bracket after the word "~~hearing~~".

HB 845, AN ACT relating to interstate compacts on subsidized adoptions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 199 IS CREATED TO READ AS FOLLOWS:

(1) The general assembly finds that:

(a) Finding adoptive families for children, for whom state assistance is desirable pursuant to KRS 199.555, and assuring the protection of the interests of the children affected during the entire assistance period, require special measures when the adoptive parents move to other states or are residents of another state; and

(b) Provision of medical and other necessary services for children, with state assistance, encounters special difficulties when the provision of services takes place in other states.

(2) The purposes of this Act are to:

(a) Authorize the cabinet for human resources to enter into interstate agreements with agencies of other states for protection of children on behalf of whom adoption assistance is being provided by the cabinet for human resources; and

(b) Provide procedures for interstate children's adoption assistance payments, including medical payments.

SECTION 2. A NEW SECTION OF KRS CHAPTER 199 IS CREATED TO READ AS FOLLOWS:

(1) The cabinet for human resources is authorized to develop, participate in the development of, negotiate and enter into one (1) or more interstate compacts on behalf of this state with other states to implement one (1) or more of the purposes set forth in this Act. When so entered into, and for so long as it shall remain in force, such a compact shall have the force and effect of law.

(2) For the purposes of this Act, the term "state" shall mean a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, or a territory or possession of or administered by the United States.

(3) For the purposes of this Act, the term "adoption assistance state" means the state that is signatory to an adoption assistance agreement in a particular case.

(4) For the purposes of this Act, the term "residence state" means the state of which the child is a resident by virtue of the residence of the adoptive parents.

SECTION 3. A NEW SECTION OF KRS CHAPTER 199 IS CREATED TO READ AS FOLLOWS:

A compact entered into pursuant to the authority conferred by this Act shall have the following content:

(1) A provision making it available for joinder by all states;

(2) A provision or provisions for withdrawal from the compact upon written notice to the parties, but with a period of one (1) year between the date of the notice and the effective date of the withdrawal;

(3) A requirement that the protections afforded by or pursuant to the compact continue in force for the duration of the adoption assistance and be applicable to all children and their adoptive parents who on the effective date of the withdrawal are receiving adoption assistance from a party state other than the one in which they are resident and have their principal place of abode;

(4) A requirement that each instance of adoption assistance to which the compact applies be covered by an adoption assistance agreement in writing between the adoptive parents and the state child welfare agency of the state which undertakes to provide the adoption assistance, and further, that any such agreement be expressly for the benefit of the adopted child and enforceable by the adoptive parents, and the state agency providing the adoption assistance; and

(5) Such other provisions as may be appropriate to implement the proper administration of the compact.

SECTION 4. A NEW SECTION OF KRS CHAPTER 199 IS CREATED TO READ AS FOLLOWS:

A compact entered into pursuant to the authority conferred by this Act may contain provisions in addition to those required pursuant to Section 3 of this Act, as follows:

(1) Provisions establishing procedures and entitlements to medical, developmental, child care or other social services for the child in accordance with applicable laws, even though the child and the adoptive parents are in a state other than the one responsible for or providing the services or the funds to defray part or all of the costs thereof; and

(2) Such other provisions as may be appropriate or incidental to the proper administration of the compact.

SECTION 5. A NEW SECTION OF KRS CHAPTER 199 IS CREATED TO READ AS FOLLOWS:

(1) A child with special needs resident in this state, who is the subject of an adoption assistance agreement with another state, shall be entitled to receive a medical assistance identification from this state upon the filing in the office of the division for medical assistance, department for social insurance, cabinet for human resources, of a certified copy of the adoption assistance agreement obtained from the adoption assistance state. In accordance with regulations of the division for medical assistance, department for social insurance, cabinet for human resources, the adoptive parents shall be required at least annually to show that the agreement is still in force or has been renewed.

(2) The division of medical assistance, department for social insurance, cabinet for human resources shall consider the holder of a medical assistance identification pursuant to this section as any other holder of a medical assistance identification under the laws of this state and shall process and make payment on claims on account of such holder in the same manner and pursuant to the same conditions and procedures as for other recipients of medical assistance.

(3) The division for medical assistance, department for social insurance, cabinet for human resources shall provide coverage and benefits for a child who is in another state and who is covered by an adoption assistance agreement made by the department for social services, cabinet for human resources for the coverage or benefits, if any, not provided by the residence state. To this end, the adoptive parents acting for the child may submit evidence of payment for services or benefit amounts not payable in the residence state and shall be reimbursed therefor. However, there shall be no reimbursement for services or benefit amounts covered under any insurance or other third party medical contract or arrangement held by the child or the adoptive parents. The cabinet for human resources shall make regulations implementing this subsection. The additional coverages and benefit amounts provided pursuant to this subsection shall be for services to the cost of which there is no federal contribution, or which, if federally aided, are not provided by the residence state. Among other things, such regulations shall include procedures to be followed in obtaining prior approvals for services in those instances where required for the assistance.

(4) The submission of any claim for payment or reimbursement for services or benefits pursuant to this section or the making of any statement in connection therewith, which claim or statement the maker knows or should know to be false, misleading or fraudulent shall be punishable as perjury and shall also be subject to a fine not to exceed ten thousand dollars ($10,000) or imprisonment for not more than two (2)

years, or both such fine and imprisonment.

(5) The provisions of this section shall apply only to medical assistance for children under adoption assistance agreements from states that have entered into a compact with this state under which the other state provides medical assistance agreements made by this state. All other children entitled to medical assistance pursuant to adoption assistance agreements entered into by this state shall be eligible to receive it in accordance with the laws and procedures applicable thereto.

SECTION 6. A NEW SECTION OF KRS CHAPTER 199 IS CREATED TO READ AS FOLLOWS:

Consistent with federal law, the cabinet for human resources, in connection with the administration of this Act and any compact pursuant hereto shall include in any state plan made pursuant to the Adoption Assistance and Child Welfare Act of 1980 (P.L. 96-272), Titles IV (e) and XIX of the Social Security Act, and any other applicable federal laws, the provision of adoption assistance and medical assistance for which the federal government pays some or all of the cost. The cabinet for human resources shall apply for and administer all relevant federal aid in accordance with law.

HB 846, AN ACT relating to certificates of death.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 213.080 is amended to read as follows:

(1) The certificate of death shall be prescribed and furnished by the cabinet for human resources and shall be designed with due consideration for national uniformity. It shall be written legibly in unfading ink or typewritten. The personal and statistical particulars shall be authenticated by the signature of the informant, who may be any competent person acquainted with the facts. The statement of facts relating to the disposition of the body shall be signed by the undertaker or person acting as such.

(2) The medical certificate shall be made and signed by the physician, if any, last in attendance on the deceased, *within fifteen (15) days of the death or if an autopsy is required within thirty (30) days of the death. The physician, if any, last in attendance on the deceased* [~~who~~] shall specify the time in attendance, the time he last saw the deceased alive, and the hour of the day at which death occurred. He shall further state the cause of death, showing the course of disease or sequence of causes resulting in death, giving the primary cause and any contributory causes, and the duration of each. Indefinite and unsatisfactory terms, indicating only symptoms of disease or conditions resulting from disease, will not be sufficient for issuing a burial or removal permit. Any certificate not containing the terms defined by the cabinet for human resources shall be returned to the physician for correction and definition. Where death may be the result of either disease or violence, the causes shall be carefully defined, and if the result of violence its nature shall be stated, and whether it appears to have been accidental, suicidal or homicidal. In case of deaths in hospitals, institutions or away from home, the physician shall furnish the information required in this section and shall state where, in his opinion, the disease was contracted.

Section 2. KRS 213.100 is amended to read as follows:

The undertaker or person acting as undertaker shall be responsible for obtaining and filing the certificate of death with the registrar, and securing a burial or removal permit, prior to any disposition of the body. He shall obtain the required personal and statistical particulars from the person best qualified to supply them, over the signature and address of his informant. He shall then, *within forty-eight (48) hours of the death,* present the certificate to the attending physician, if any, or to the health officer or coroner, as directed by the registrar, for the medical certificate of the cause of death and other particulars necessary to complete the record, as required by KRS 213.090. He shall then state the facts required relative to the date and place of burial, over his signature and with his address, and present the completed certificate to the registrar, within the time limit, if any, designated by the local board of health for the issuance of a burial or removal permit. If there is no undertaker or person who acts as such, the head of the family in which the death occurred shall, within five (5) days of the date of death, notify the local registrar of the district in which the death occurred of the fact of the death. The local registrar shall then procure, promptly, the certificate of death.

Section 3. KRS 213.990 is amended to read as follows:

(1) Any physician in medical attendance upon any deceased person at the time of death who neglects or refuses, on request, to make out and deliver to the undertaker, sexton or other person in charge of the disposition of the body the medical certificate of cause of death *within the time required pursuant to KRS 213.080* shall be fined not less than five dollars ($5) nor more than fifty dollars ($50).

(2) Repeated failure to report births and deaths *or repeated failure to report deaths within the times specified in KRS 213.080* shall be sufficient cause for the revocation of a physician's certificate to practice medicine in this state.

(3) Any physician who knowingly makes a false certification of the cause of death in any case shall be

fined not less than fifty dollars ($50) nor more than two hundred dollars ($200).

(4) Any person who fails to comply with the provisions of subsection (1) or (2) of KRS 213.050 shall be fined not less than five dollars ($5) nor more than fifty dollars ($50).

(5) Any undertaker, sexton or other person acting as undertaker who inters, removes or otherwise disposes of the body of any deceased person without the required burial or removal permit shall be fined not less than twenty dollars ($20) nor more than one hundred dollars ($100).

(6) Any registrar or deputy registrar who neglects or fails to enforce the provisions of this chapter in his district, or neglects or refuses to perform any of the duties imposed upon him by this chapter or by the instructions and directions of the cabinet for human resources, shall be fined not less than ten dollars ($10) nor more than one hundred dollars ($100). In addition, any local registrar who fails to perform efficiently the duties of his office shall forthwith be removed from office by the county health officer.

(7) Any person who wilfully alters any certificate of birth or death, or the copy of any certificate of birth or death, on file in the office of the local registrar, shall be fined not less than ten dollars ($10) nor more than one hundred dollars ($100) or be imprisoned in the county jail not more than sixty (60) days, or both.

(8) Any person who violates any of the provisions of this chapter or who wilfully neglects or refuses to perform any duties imposed upon him by the provisions of this chapter for which no specific penalty is provided, or who furnishes false information to a physician, undertaker, midwife or informant for the purpose of making an incorrect certification of birth or death, shall be fined not less than five dollars ($5) nor more than one hundred dollars ($100).

(9) Any transportation company or common carrier that transports or carries, or accepts for transportation or carriage, the body of any deceased person without an accompanying removal or transit permit, shall be fined not less than fifty dollars ($50) nor more than two hundred dollars ($200). In case the death occurred outside the state, and the body is accompanied by a certificate of death, or a burial, removal or transit permit issued in accordance with the law or health regulations in force where the death occurred, such death certificate, or burial, removal or transit permit will authorize the transportation or carriage of the body into or through this state.

(10) Any person who violates KRS 213.125 shall be fined not less than one thousand dollars ($1,000) nor more than five thousand dollars ($5,000) or imprisoned in the county jail for not less than thirty (30) days nor more than one (1) year, or both.

(11) Any physician who fails to comply with the procedures outlined in KRS 213.055 shall be fined an amount not to exceed five hundred dollars ($500).

The Committee Amendment No. 1 to **HB 846** is as follows:

Amend printed copy of **HB 846,** on page 2, line 26, by deleting "*forty-eight (48) hours*" and inserting in lieu thereof "*five (5) days*"

HJR 72, A JOINT RESOLUTION requesting that the secretary of the cabinet for human resources include non-steroid and other anti-arthritic drugs on the Kentucky medical assistance program outpatient drug list.

WHEREAS, the general assembly of the Commonwealth of Kentucky recognizes and declares that it is an essential function, duty and responsibility of state government to provide medical care to its indigent citizens; and

WHEREAS, the effective medical care of those indigent citizens that are arthritic may require the use of non-steroid and other anti-arthritic drugs;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. The secretary of the cabinet for human resources is requested to include on the Kentucky medical assistance program outpatient drug list those non-steroid and other anti-arthritic drugs that are determined to be therapeutically necessary for the effective medical care of arthritics.

Section 2. The clerk of the house of representatives is hereby authorized and directed to transmit appropriate copies of this resolution to the governor of the Commonwealth of Kentucky and to the secretary of the cabinet for human resources.

HB 155, AN ACT relating to the long-term care ombudsman program.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

As used in this Act unless the context otherwise requires:

(1) "Administrative action" means any action made by an owner, employe, or agent of a long-term care facility, or by a government agency, which affects the provision of service to long-term care residents;

(2) "Long-term care facility" means any health care facility in the Commonwealth defined by the Kentucky health facilities and health services certificate of need and licensure board to be a family care home, personal care home, intermediate care facility, skilled nursing facility, nursing home, and intermediate care facility for the mentally retarded and developmental disabled, and other similar adult care homes providing shelter, care and services to physically or mentally impaired individuals when such adult care homes are identified by the state agency on aging in the title III of the older american's act of 1965, as amended, state plan;

(3) "Long-term care ombudsman" means the long-term care ombudsman as provided for under title III of the older american's act.

SECTION 2. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

There is hereby established as an independent office of the executive branch of state government the long-term care ombudsman program which shall have the following functions, powers and duties:

(a) To investigate and resolve complaints made by or on behalf of older or other persons, who are residents of long-term care facilities, about any administrative action which may adversely affect the health, safety, welfare, and rights of such residents;

(b) To set forth, in accordance with law, procedures for access by long-term care ombudsman program representatives to long-term care facilities and residents and to facility, resident and state records pertinent to complaint investigation and resolution;

(c) To maintain records indicating the final disposition by the program of any complaint received and by any state agency of any complaint referred by the long-term care ombudsman program;

(d) To provide for the training of volunteers and promote the development of citizen organizations to participate in the ombudsman program;

(e) To organize and hold conferences on problems affecting persons who are residents of long-term care facilities;

(f) To appear before any federal, state or local governmental agency or body and the legislative research commission, to represent and be heard on behalf of the interests of residents of long-term care facilities;

(g) To monitor the development and implementation of federal, state and local laws, regulations, and policies affecting long-term care facilities and residents;

(h) To collect and provide information as appropriate to public agencies regarding the problems of older and other persons residing in long-term care facilities;

(i) To establish a statewide uniform reporting system to collect and analyze data relating to complaints about and conditions in long-term care facilities for the purpose of identifying and resolving significant problems;

(j) To submit on a regular and at least annual basis such data as collected under this section to the secretary of the cabinet for human resources, to any federal agency as required by federal law or regulation, and to the legislative research commission; and

(k) To carry out such other activities as required or authorized by federal or state law or regulation.

SECTION 3. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

All departments, agencies, officers and employes of the Commonwealth shall fully cooperate with the state long-term care ombudsman program in carrying out the provisions of this Act. No record shall be withheld from the long-term care ombudsman.

SECTION 4. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

(1) There is hereby created the position of the state long-term care ombudsman. The long-term care ombudsman shall be the head of the state long-term care ombudsman program. The long-term care ombudsman, subject to approval by the long-term care ombudsman advisory council, shall be appointed by the governor.

(2) The term of office of the long-term care ombudsman shall be for four (4) years and until the long-term care ombudsman's successor is appointed. The long-term care ombudsman may be reappointed.

(3) The long-term care ombudsman shall, in order to qualify for appointment, have demonstrated:

(a) Experience and competency in:

1. Organizing and administering services;

2. Coordinating related services;
3. Supervising and training staff and volunteers;
4. Community organizing;
5. Effective written and oral communication;
6. Issue identification and analysis; and
7. Techniques of interviewing, negotiation and client representation;
(b) Knowledge and understanding of:
1. The needs and problems of the institutionalized elderly and their families;
2. The state and local long-term care system;
3. Social service and public benefit programs related to the institutionalized elderly; and
4. Medical and social processes of aging.

(4) Neither the long-term care ombudsman nor any member of the ombudsman's immediate family shall have or have had within the three (3) years prior to appointment any financial interest in nor employment by or in any long-term care facility as defined in Section 1 of this Act.

SECTION 5. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

(1) There is established in the executive branch of state government a long-term care ombudsman advisory council. The advisory council shall consist of eleven (11) members who shall be appointed by the governor and shall hold office for a term of four (4) years and until their successors are appointed and qualified, except that initial appointments for a term beginning on the effective date of this Act, shall be as follows: two (2) members shall be appointed for one (1) year, three (3) for two (2) years, three (3) for three (3) years, and three (3) for four (4) years. The respective terms of the first members shall be designated by the governor at the time of their appointments. Upon the expiration of the respective terms of the members first appointed, the term of each successor shall be for four (4) years and until the member's successor is appointed and qualified; provided that the term of office for the member representing the Kentucky house of representatives shall only be for two (2) years.

(2) Eight (8) of the initial appointments and appointments thereafter shall be made one (1) from each list of three (3) nominees submitted by the following organizations: Kentucky combined committee on aging, Kentucky nurses association, quality care advocates, Kentucky association for retarded citizens, Kentucky association for mental health, Kentucky bar association, Kentucky medical association and Kentucky chapter of the national association of social workers. Of the other three (3) members, one (1) shall be a long-term care facility resident or family member of a resident, and two (2) shall be state legislators.

(3) No nominee or member of the council shall be a stockholder or have any financial interest in or be an employe of any long-term care facility.

(4) Each appointive member of the council shall serve without compensation but shall be entitled to reimbursement for actual and necessary expenses in carrying out the member's duties with reimbursement for expenses being made in accordance with state regulations relating to travel reimbursement.

(5) Vacancies shall be filled for the unexpired term in the same manner as original appointments, maintaining representations as set out in subsection (1) of this section.

(6) The council shall elect a chairman, vice-chairman, and secretary from among its members at its first regular meeting in each fiscal year and shall adopt rules governing its proceedings. The council shall hold a meeting at least once every three (3) months and such other special or regular meetings as may be necessary.

(7) Staff to the council shall be provided by the state government agency with which the state long-term care ombudsman program is administratively lodged.

SECTION 6. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

The long-term care ombudsman advisory council shall provide ongoing support and leadership to the long-term care ombudsman program and shall:

(1) Review and comment upon activities of the long-term care ombudsman program as provided in Section 2 of this Act;

(2) Monitor and recommend policies, laws and regulations necessary to improve the long-term care system;

(3) Advise and provide technical assistance to the long-term care ombudsman program on all matters affecting the long-term care resident and system;

(4) Advocate on behalf of the long-term care residents by identifying needs or problem areas; and

(5) Report annually to the general assembly on the activities and progress of the long-term care ombudsman program.

SECTION 7. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

(1) The long-term care ombudsman program shall be assured in writing by the highest public official, under whose cabinet the office of the long-term care ombudsman program is assigned by the governor, that the long-term care ombudsman shall be authorized to exercise independence in action and judgment free from

control by any person or organization seeking to interfere with vigorous and impartial investigation and resolution of complaints involving residents of long-term care facilities.

(2) Such written assurance may be reflected by the following:

(a) Specific inter-organizational agreements approved at the highest level of the cabinet;

(b) Authority and responsibilities expressed in the job description of the long-term care ombudsman, and delegations of authority to the ombudsman; and

(c) Arrangements with independent agencies and external organizations with the power and freedom of action to confront problems identified by the long-term care ombudsman program.

(3) Factors to be considered when selecting the location of the office of the long-term care ombudsman program include the program's:

(a) Independence and impartiality;

(b) Visibility to the public;

(c) Ability to communicate and work with other agencies of government;

(d) Opportunity to influence legislation and regulations;

(e) Continuity;

(f) Effect on programs of the sponsoring agency which affect older persons;

(g) Ease of accessibility to the expertise in the field of aging of other agencies of state government; and

(h) Accessibility to certain powers and sanctions including use of the media and ability to initiate lawsuits.

(4) Staff to the long-term care ombudsman program shall be provided by the state government agency with which the state long-term care ombudsman program is administratively lodged.

SECTION 8. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

Any files maintained by the state or local long-term care ombudsman program shall be disclosed only at the discretion of the long-term care ombudsman having authority over the disposition of such files, except that the identity of any complainant or resident of a long-term care facility shall not be disclosed by such ombudsman unless:

(1) Such complainant or resident, or the complainant or resident's legal representative, consents in writing to such disclosure; or

(2) Such disclosure for good cause is required by court order.

SECTION 9. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

State or local long-term care ombudsman programs may not be operated by any public agency or private nonprofit organization that is:

(1) Responsible for licensing or certifying long-term care facilities or other residential facilities for older persons;

(2) An association, or an affiliate or agent of an association, of long-term care facilities; or

(3) Associated with or has control of or is controlled by persons who are providers of long-term care services, facilities or supplies.

SECTION 10. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

(1) The office of the state long-term care ombudsman program may establish substate long-term care ombudsman program units or designate long-term care ombudsman responsibilities.

(2) A local long-term care ombudsman program may be sponsored by the state unit on aging, an area agency on aging, or a local nonprofit agency; however, any local program shall be designated part of the statewide program only by the state long-term care ombudsman.

(3) Area agencies on aging providing support and activities to the state long-term care ombudsman program may do so either by:

(a) Directly operating an ombudsman program;

(b) Directly funding local community-based organizations to run the local program;

(c) Facilitating the creation of an organization capable of running the program;

(d) Funding or facilitating training of local ombudsman; or

(e) By general promotion of the local ombudsman designee.

SECTION 11. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

Criteria to be used by the state long-term care ombudsman program in identifying, soliciting and selecting organizations or agencies to carry out long-term care ombudsman functions on the local level shall include, in addition to that provided under this Act, that the proposed unit:

(1) Has no conflicts of interest which would impair its ability to vigorously and impartially investigate complaints in the interests of elderly long-term care residents;

(2) Has a reputation for or a strong interest in improving long-term care for older, institutionalized

persons;

(3) Does not receive directly or indirectly any funds, monies or contributions from any provider of long-term care services or organizations for long-term care providers;

(4) Is not housed with or part of the Commonwealth's long-term care licensure and certification program; and

(5) Provides assurances in writing to the state long-term care ombudsman program that it will:

(a) Provide or supply adequate supervision to any paid or volunteer staff;

(b) Describe and establish lines of accountability and responsibility within its organization and the state level program for all activities in which it is engaged as local ombudsman;

(c) Accept assignments of complaints from and make referrals of complaints to the state long-term care ombudsman program in a timely manner;

(d) Document and report, in a timely manner such complaints and referrals and, in a form specified by the state long-term care ombudsman program;

(e) Maintain ombudsman records to insure the confidentiality of the information contained in them;

(f) Abide by procedures established by the state long-term care ombudsman program relating to:

1. Access to facilities, residents, and residents' personal and medical records;

2. Disclosure of residents' identities; and

3. Disclosure of information in ombudsman file;

(g) Participate, through its staff and volunteers, in training and other support events and activities organized by the state long-term care ombudsman program;

(h) Gather and report other information as requested by the state long-term care ombudsman program;

(i) Coordinate activities with area agencies on aging; and

(j) Establish an advisory board with required membership as provided under Section 14 of this Act.

SECTION 12. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

Designated local long-term care ombudsman programs shall:

(1) Represent all long-term care residents residing in long-term care facilities within the assigned geographical area;

(2) Assure resident' rights are upheld and promote quality care in long-term care facilities;

(3) Promote citizen involvement in order to assure regular visitations especially for those residents without available family or friends;

(4) Investigate and work to resolve complaints on behalf of residents in long-term care facilities;

(5) Record and report complaint information as required by the state long-term care ombudsman program;

(6) Advise the public about, or arrange for the availability of current state, local, and federal inspection report statements of deficiency and plans for correction for individual long-term care facilities in the service area;

(7) Advertise the existence and function of the local and state long-term care ombudsman program;

(8) Promote visitation programs for long-term care residents;

(9) Create and assist in the development of resident, family and friends' councils;

(10) Sponsor community surveys or evaluations of long-term care facilities and the publishing of consumer information guides; and

(11) Present community education and training programs to long-term care facilities, human service workers, families, and the general public about long-term care and residents' rights issues.

SECTION 13. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

Local advocacy programs desiring to become designated as a substate long-term care ombudsman program unit shall:

(1) Submit to the state long-term care ombudsman program a plan which explains how the program will meet minimum program requirements;

(2) Upon plan approval meet required training standards of the state long-term care ombudsman program;

(3) Sign a memorandum of understanding with the state long-term care ombudsman program;

(4) Be issued by the state long-term care ombudsman program a certificate and an identification card; and

(5) Be designated for one (1) year and may be recertified on an annual basis.

SECTION 14. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

(1) Local long-term care ombudsman programs shall have advisory boards whose functions, on behalf of the respective local program shall be to:

(a) Monitor the implementation of the local program's policies and procedures;

(b) Provide on-going support and leadership to the local program; and

(c) Identify and generate funding resources for local program viability.

(2) The advisory board shall be made up of persons with a strong interest in improving the quality of life for the institutionalized elderly and for protecting their rights. Group size and composition should be individualized to the needs of the local program but shall not be less than seven (7). One-third (1/3) of the members shall be consumers or family members of consumers.

(3) Advisory board members shall not:

(a) Be responsible for certifying or licensing long-term care facilities;

(b) Be a provider of long-term care services or part of an association of such providers;

(c) Have any interest or association which may impair the ability of the local ombudsman to objectively and independently investigate and resolve complaints; or

(d) Gain economically or receive any compensation from a long-term care facility provider or association.

SECTION 15. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

The director of the state long-term care ombudsman program may accept and expend gifts and grants from any source. Such moneys shall go into a trust and agency fund to be administered by the program to further the purposes of the provisions of this Act.

The Committee Substitute to **HB 155** is as follows:

HB 155, AN ACT relating to the long-term care ombudsman program.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

As used in this Act unless the context otherwise requires:

(1) "Long-term care facility" means any health care facility in the Commonwealth defined by the Kentucky health facilities and health services certificate of need and licensure board to be a family care home, personal care home, intermediate care facility, skilled nursing facility, nursing home, and intermediate care facility for the mentally retarded and developmental disabled;

(2) "Resident" means any resident of a long-term care facility who is sixty (60) years of age or older and, if long-term care ombudsman program resources permit, any other resident of a long-term care facility;

(3) "State long-term care ombudsman" means the state long-term care ombudsman as provided for under this Act.

SECTION 2. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

There is hereby established as an independent office of the executive branch of state government the state long-term care ombudsman program which shall have the following functions, powers and duties:

(a) To investigate and resolve complaints made by or on behalf of residents of long-term care facilities, about the health, safety, welfare, and rights of such residents;

(b) To set forth, in accordance with law, procedures for access by long-term care ombudsman program representatives to long-term care facilities and residents and to long-term care facility, resident and state records necessary for complaint investigation and resolution;

(c) To maintain records indicating the final disposition by the program of any complaint received and by any state agency of any complaint referred by the state long-term care ombudsman program;

(d) To provide for the training of volunteers and promote the development of citizen organizations to participate in the ombudsman program;

(e) To organize and hold conferences on problems affecting residents;

(f) To appear before any federal, state or local governmental agency or body and the legislative research commission, to represent and be heard on behalf of the interests of residents;

(g) To monitor the development and implementation of federal, state and local laws, regulations, and policies affecting long-term care facilities and residents and to make recommendations relating thereto;

(h) To collect and provide information as appropriate to public agencies regarding the problems of residents of long-term care facilities;

(i) To establish a statewide uniform reporting system to collect and analyze data relating to complaints about and conditions in long-term care facilities for the purpose of identifying and resolving significant problems;

(j) To submit on a regular and at least annual basis such data as collected under this section to the

governor, secretary of the cabinet for human resources, to any federal agency as required by federal law or regulation, and to the legislative research commission;

(k) To carry out such other activities as required or authorized under this Act; and

(l) To employ such employes as necessary to carry out the provisions of this Act.

SECTION 3. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

All long-term care facilities and all departments, agencies, officers and employes of the Commonwealth shall fully cooperate with the state long-term care ombudsman program in carrying out the provisions of this Act. No long-term care facility, resident or state record shall be withheld from the state long-term care ombudsman when such records are necessary for complaint investigation and resolution on behalf of a resident as provided under this Act. If any long-term care facility, or officer or employe of the Commonwealth fails to permit access to or the examination, photographing or copying of such records, the circuit court for the county in which the long-term care facility is located or for the county of employment of such officer or employe, upon application of the state long-term care ombudsman, may issue an order requiring compliance.

SECTION 4. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

(1) There is hereby created the position of the state long-term care ombudsman. The state long-term care ombudsman shall be the head of the state long-term care ombudsman program. The state long-term care ombudsman shall be appointed by the governor.

(2) The term of office of the state long-term care ombudsman shall be for four (4) years and until the state long-term care ombudsman's successor is appointed. The state long-term care ombudsman may be reappointed. For good cause the governor may remove the state long-term care ombudsman. The specific cause or causes for said removal shall be stated in a letter from the governor to the state long-term care ombudsman thirty (30) days prior to such anticipated removal. The state long-term care ombudsman may comply with or protest such removal. If electing to protest, the state long-term care ombudsman shall, within seven (7) days of receipt of the governor's letter, apply for a public hearing before an impartial hearing officer designated by the governor. The hearing shall be held within seven (7) days of the application. The hearing officer shall prepare a written finding of facts, conclusions and recommendation to the governor within seven (7) days after the hearing date. The governor shall, within seven (7) days, call a public meeting for the purpose of considering the hearing officer's findings and recommendation and making a final ruling thereon.

(3) The state long-term care ombudsman shall, in order to qualify for appointment, have experience in:

(a) Medical and social processes of aging;

(b) The long-term care system and other relevant social services and public benefit programs;

(c) Client representation, dispute or problem resolution techniques, including investigation and mediation.

(4) Neither the state long-term care ombudsman nor his spouse nor any other person related to him within the third degree of consanguinity shall have or had have within the three (3) years prior to appointment any financial interest in nor employment by or in any long-term care facility as defined in Section 1 of this Act.

SECTION 5. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

(1) There is established in the executive branch of state government a state long-term care ombudsman advisory council. The state advisory council shall consist of nine (9) members who shall be appointed by the governor and shall hold office for a term of four (4) years and until their successors are appointed, except that initial appointments for a term beginning on the effective date of this Act, shall be as follows: two (2) members shall be appointed for one (1) year, two (2) for two (2) years, two (2) for three (3) years, and three (3) for four (4) years. The respective terms of the first members shall be designated by the governor at the time of their appointments. Upon the expiration of the respective terms of the members first appointed, the term of each successor shall be for four (4) years and until the member's successor is appointed.

(2) Eight (8) of the initial appointments and appointments thereafter shall be made one (1) from each list of three (3) nominees submitted by the following organizations: Kentucky combined committee on aging, Kentucky nurses association, quality care advocates, Kentucky association for retarded citizens, Kentucky association for mental health, Kentucky bar association, Kentucky medical association and Kentucky chapter of the national association of social workers. The other member shall be a long-term care facility resident or family member of a resident.

(3) No nominee or member of the council shall within the three (3) years prior to nomination or appointment be a stockholder or have any financial interest in or be an employe of any long-term care facility.

(4) Each appointive member of the council shall serve without compensation but shall be entitled to

reimbursement for actual and necessary expenses in carrying out the member's duties with reimbursement for expenses being made in accordance with state regulations relating to travel reimbursement.

(5) Vacancies shall be filled for the unexpired term in the same manner as original appointments, maintaining representations as set out in subsection (1) of this section.

(6) The council shall elect a chairman, vice-chairman, and secretary from among its members at its first regular meeting in each fiscal year and shall adopt rules governing its proceedings. The council shall hold a meeting at least once every three (3) months and such other special or regular meetings as may be necessary.

(7) Staff to the council shall be provided by the state long-term care ombudsman program.

SECTION 6. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

The state long-term care ombudsman advisory council shall advocate for and advise the state long-term care ombudsman program and shall:

(1) Review and comment upon activities of the state long-term care ombudsman program as provided in Section 2 of this Act;

(2) Advise and provide technical assistance to the state long-term care ombudsman program on matters affecting the long-term care resident and system including policies, laws and regulations necessary to improve the long-term care system;

(3) Advocate on behalf of the long-term care residents by identifying needs or problem areas; and

(4) Report annually to the governor and the legislative research commission on the activities and progress of the state long-term care ombudsman program.

SECTION 7. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

The governor shall select the location within the executive branch of state government of the office of the state long-term care ombudsman program. Factors to be considered by the governor when selecting the location of the office of the state long-term care ombudsman program include the program's:

(1) Independence and impartiality;
(2) Visibility to the public;
(3) Ability to communicate and work with other agencies of government;
(4) Opportunity to influence legislation and regulations;
(5) Continuity;
(6) Effect on programs of the sponsoring agency which affect older persons; and
(7) Ease of accessibility to the expertise in the field of aging of other agencies of state government.

SECTION 8. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

Except as provided in KRS 61.870 through 61.884, any files maintained by the state or local long-term care ombudsman program shall be disclosed only at the discretion of the state long-term care ombudsman having authority over the disposition of such files, except that the identity of any complainant or resident of a long-term care facility shall not be disclosed by such ombudsman unless:

(1) Such complainant or resident, or the complainant or resident's legal representative, consents in writing to such disclosure; or

(2) Such disclosure for good cause is required by court order.

SECTION 9. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

State or local long-term care ombudsman programs in Kentucky may not be operated by any public agency or private nonprofit organization that is:

(1) Responsible for licensing or certifying long-term care facilities or other residential facilities for older persons;

(2) An association, or an affiliate or agent of an association, of long-term care facilities; or

(3) Associated with or has control of or is controlled by persons who are providers of long-term care services, facilities or supplies.

SECTION 10. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

(1) The office of the state long-term care ombudsman program may establish substate long-term care ombudsman program units or designate long-term care ombudsman responsibilities.

(2) A local long-term care ombudsman program may be sponsored by the state unit on aging, an area agency on aging, or a local nonprofit agency; however, any local program shall be designated part of the statewide program only by the state long-term care ombudsman.

SECTION 11. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

Criteria to be used by the state long-term care ombudsman program in identifying, soliciting and selecting organizations or agencies to carry out long-term care ombudsman functions on the local level shall include, in addition to that provided under this Act, that the proposed local unit:

(1) Has no direct or indirect interest in a long-term care facility which would impair its ability to vigorously and impartially investigate complaints in the interests of elderly long-term care residents;

(2) Has demonstrated a direct interest in improving long-term care for older, institutionalized persons;

(3) Does not receive directly or indirectly any funds, monies or contributions from any provider of long-term care services or organizations for long-term care providers; and

(4) Is not housed with or part of the Commonwealth's long-term care licensure and certification program.

SECTION 12. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

Local advocacy programs desiring to become designated as a substate long-term care ombudsman program unit shall:

(1) Submit to the state long-term care ombudsman program a written plan which explains how the program will comply with minimum program requirements, policies and procedures as set forth by the state long-term care ombudsman; and

(2) Upon plan approval, be designated for one (1) year and may be recertified on an annual basis.

SECTION 13. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

Designated local long-term care ombudsman programs shall:

(1) Represent and advocate for the statutory and human rights of residents residing in long-term care facilities within the assigned geographical area;

(2) Promote quality care in long-term care facilities;

(3) Promote citizen involvement in order to assure regular visitations especially for those residents without available family or friends;

(4) Investigate and work to resolve complaints on behalf of residents in long-term care facilities;

(5) Record and report complaint information as required by the state long-term care ombudsman program;

(6) Advertise the existence and function of the local and state long-term care ombudsman program;

(7) Create and assist in the development of resident, family and friends' councils;

(8) Present community education and training programs to long-term care facilities, human service workers, families, and the general public about long-term care and residents' rights issues; and

(9) Establish local advisory boards as described under this Act.

SECTION 14. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

(1) Local long-term care ombudsman programs shall have local advisory boards whose functions, in cooperation with the respective local program shall be to:

(a) Monitor the implementation of the local program's policies and procedures;

(b) Provide on-going advocacy for and assistance to the local program; and

(c) Identify and generate funding resources for local program viability.

(2) The advisory board shall be made up of persons with a demonstrated strong interest in improving the quality of life for the institutionalized elderly, and other residents as program resources permit, and for protecting their rights. Group size and composition should be individualized to the needs of the local program but shall not be less than seven (7). One-third (1/3) of the members shall be consumers or family members of consumers.

(3) Advisory board members shall not:

(a) Be responsible for certifying or licensing long-term care facilities;

(b) Be a provider of long-term care services or part of an association of such providers;

(c) Have any direct or indirect interest or association with a long-term care facility which may impair the ability of the local ombudsman to objectively and independently investigate and resolve complaints; or

(d) Gain economically or receive any compensation from a long-term care facility provider or association.

SECTION 15. A NEW SECTION OF KRS CHAPTER 209 IS CREATED TO READ AS FOLLOWS:

(1) The head of the state long-term care ombudsman program may accept and expend gifts and grants from any source. Such moneys shall go into a trust and agency fund to be administered by the program to further the purposes of the provisions of this Act.

(2) The funding for the state long-term care ombudsman program shall include at least one percent (1%) of Title III (B) of the Older Americans Act funding received by the Commonwealth during each fiscal year.

The following Floor Amendments were filed to Bills and Resolutions:

Floor Amendment No. 3 to **SB 20,** by Representative Harper:

Amend printed copy of House Committee Substitute to General Assembly copy of **SB 10,** on page 16, below line 26, to add the following:

"SECTION 15. A NEW SECTION OF KRS CHAPTER 431 IS CREATED TO READ AS FOLLOWS:

(1) When a peace officer arrests a person for a violation of Section 1 of this Act who does not have a Kentucky motor vehicle operator's license and is from a state that does not provide reciprocal sanctions with Kentucky for that persons' failure to appear in a Kentucky court for trial on a violation of Section 1 of this Act the officer shall confiscate that person's motor vehicle operator's license and give the person a copy of the uniform citation charging him with the offense and showing thereon a trial date.

(2) The copy of the citation shall serve for all purposes as a valid motor vehicle operator's license until the date set for the trial or any date to which the trial may be postponed upon order of the court.

(3) Licenses confiscated by peace officers pursuant to this section shall be turned over to the court along with the court copy of the citation charging the offense and shall be retained by the circuit clerk until a court orders otherwise.

(4) If a court orders the pretrial suspension of a motor vehicle operator's license pursuant to Section 7 of this Act that action shall have the same effect with regard to the validity of the use of the citation in lieu of a motor vehicle operator's license. Both the license and the citation shall stand suspended until otherwise ordered by the court pursuant to Section 7 of this Act."

And to renumber the ensuing sections to conform.

Floor Amendment No. 1 to **SB 148,** by Representative Lundergan:

Amend printed copy of **SB 148,** on page 1, after line 8, by adding the following:

"*(b) The phrase "solicit and originate loans" shall not include execution or consummation of loans, nor the disbursement of funds.*"; and

On page 1, line 9, by deleting "*(b)*" and inserting "*(c)*" in lieu thereof.

Floor Title Amendment to **SB 215,** by Representative Morris:

Amend printed copy of **SB 215,** on page 1, Title, by deleting and inserting in lieu thereof the following:

"AN ACT relating to licensing of barbers and cosmetology salons."

Floor Amendment No. 2 to **SB 215,** by Representative Morris:

Amend printed copy of **SB 215,** on page 5, after line 10, by adding the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 317A IS CREATED TO READ AS FOLLOWS:

The board shall issue an operating license for a salon within thirty (30) days from successful completion of the license inspection. The board's inspector shall issue to the salon owner a temporary permit which shall be valid until the operating license is received.

Floor Amendment No. 1 to **SB 273,** by Representative Arnold:

Amend printed copy of **SB 273,** on page 2, line 20, by deleting "*and third*" and by substituting therefor: "*or third but not a city of the first*".

Floor Amendment No. 1 to **HB 601**, by Representative Brinkley:

Amend printed copy of **HB 601**, on page 1, line 3, by deleting "*1985*" and substituting therefore "*1986*";

And on page 1, line 9, by deleting "*1985*" and substituting therefore "*1986*".

Floor Amendment No. 1 to **HB 666**, by Representative Kenton:

Amend printed copy of **HB 666**, on page 3, line 23, after the period by deleting the underlined language on lines 23 through 26 in its entirety and inserting: *Vehicles operated under the authority and direct responsibility of such transit authorities, through contractual agreement, shall be included within this exemption, without regard to the legal ownership of the vehicles, but only for such times as they are operated under the authority and responsibility of the transit authority* in lieu thereof.

Floor Amendment No. 2 to **HB 684**, by Representative Burch:

Amend printed copy of **HB 684** on page 2, line 24, after the word "to" by inserting the word "*five*" and by placing brackets before and after the word "four", and after the word "percent" by inserting "*(5 3/4%)*" and by placing brackets before and after "(4 3/4%)"; and

On page 3, line 3, after the word "to" by inserting the word "*four*" and line 4, by placing brackets before and after the word "three", and after the word "percent" by inserting the numeral "*(4%)*" and by placing brackets before and after the numberal "(3%)"; and

On page 3, line 6, by deleting the word "*and*" and by deleting lines 7 and 8 in their entirety and inserting in lieu thereof the following, "*Monies retained by the tracks, after fulfillment of all contractual obligations, shall be used for capital improvements approved by the Kentucky state racing commission.*"; and

On page 6, line 8, by deleting Section 4 in its entirety and by renumbering Section 5, Section 4.; and

On page 11, after line 14, by adding the following:

Section 5. KRS 138.515 is amended to read as follows:

(1) The commission, including the tax levied in KRS 138.510, deducted from the gross amount wagered by the person, corporation or association which operates a running horse race track at which betting is conducted through a pari-mutuel or other similar system, in races where the patron is required to select one (1) horse, shall not be less than fifteen percent (15%) nor more than *seventeen and one-half* [~~sixteen~~] percent *(17 1/2%)* [~~(16%)~~] at the discretion of those tracks averaging over nine hundred thousand dollars ($900,000) in pari-mutuel handle per racing day. The commission at those tracks averaging nine hundred thousand dollars ($900,000) or less in pari-mutuel handle per racing day, at the discretion of such track, shall not be less than sixteen and one half percent (16 1/2%) nor more than seventeen and one half percent (17 1/2%) in races where the patron is required to select one (1) horse, except that for the purposes of races conducted under the auspices of the quarter horse and appaloosa commission shall not exceed seventeen percent (17%) of the gross amount handled, and the breaks, which breaks shall be made and calculated to the dime.

(2) The commission, including the tax levied in KRS 138.510, deducted from the gross amount wagered by the person, corporation or association which operates a running horse race track at which betting is conducted through a pari-mutuel or other similar system shall not exceed nineteen percent (19%) of the gross handle in races where the patron is required to select two (2) horses, and the breaks, which breaks shall be made and calculated to the dime.

(3) The racing association averaging nine hundred thousand dollars ($900,000) or less per racing day shall pay to the backside improvement fund an amount equal to one-half of the one percent (1/2 of 1%) of its commissions.

Section 6. KRS 230.215 is amended to read as follows:

(1) It is the policy of the Commonwealth of Kentucky, in furtherance of its responsibility to foster and

to encourage legitimate occupations and industries in the Commonwealth and to promote and to conserve the public health, safety, and welfare, and it is hereby declared the intent of the Commonwealth to foster and to encourage the thoroughbred horse breeding industry within the Commonwealth and to encourage the improvement of the breed of thoroughbred horses. Further, it is the policy and intent of the Commonwealth to foster and to encourage the business of legitimate thoroughbred racing with pari-mutuel wagering thereon in the Commonwealth on the highest possible plane. Further, it hereby is declared the policy and intent of the Commonwealth that all thoroughbred racing not licensed under KRS 230.210 to 230.360 and appaloosa racing not licensed under KRS 230.210 to 230.360 or 230.410 to 230.447 is a public nuisance and may be enjoined as such. Further, it is hereby declared the policy and intent of the Commonwealth that the conduct of thoroughbred racing or appaloosa racing at a thoroughbred race meeting, or the participation in any way in thoroughbred racing or appaloosa racing at thoroughbred race meetings, or the entrance to or presence where thoroughbred racing and appaloosa racing is conducted, is a privilege and not a personal right; and that this privilege may be granted or denied by the commission or its duly approved representatives acting in its behalf.

(2) It is hereby declared the purpose and intent of KRS 230.210 to 230.360 in the interest of the public health, safety, and welfare, to vest in the commission *authority to regulate* [~~foreceful control of~~] thoroughbred racing and appaloosa racing at thoroughbred race meetings in the Commonwealth with [~~plenary~~] power to prescribe *necessary and reasonable* rules, [~~and~~] regulations and conditions under which all legitimate thoroughbred racing and appaloosa racing at thoroughbred race meetings and wagering thereon is conducted in the Commonwealth so as to encourage the improvement of the breed of thoroughbreds in the Commonwealth, to regulate and maintain thoroughbred racing and appaloosa racing at thoroughbred race meetings in the Commonwealth of the highest quality and free of any corrupt, incompetent, dishonest, or unprincipled thoroughbred racing or appaloosa racing practices, and to regulate and maintain thoroughbred racing and appaloosa racing at thoroughbred race meetings in the Commonwealth so as to dissipate any cloud of association with the undesirable and maintain the appearance as well as the fact of complete honesty and integrity of thoroughbred racing and appaloosa racing in the Commonwealth. In addition to the general powers and duties vested in the commission by KRS 230.210 to 230.360, it is the intent hereby to vest in the commission the power to eject or exclude from association grounds or any part thereof any person, licensed or unlicensed, whose conduct or reputation is such that his presence on association grounds may, in the opinion of the commission, reflect on the honesty and integrity of thoroughbred racing or interfere with the orderly conduct of thoroughbred racing or appaloosa racing.

Section 7. KRS 230.218 is amended to read as follows:

(1) There is hereby established, under the general jurisdiction of the Kentucky state racing commission, a backside improvement commission. This commission shall consist of four (4) members *appointed by the governor.*[~~, three (3) of which shall be voting members and one (1) shall be a nonvoting member. The voting members shall be as follows: one (1) member appointed by the president pro tempore of the Kentucky senate, one (1) member appointed by the speaker of the Kentucky house of representatives, and~~] *It is recommended that* one (1) member *be* appointed *to represent* [~~by the chairman of~~] the Kentucky state racing commission, *and one*[~~. The nonvoting~~] member [~~shall~~] be appointed *to represent* [~~by~~] the Kentucky division of the horsemen's benevolent and protective association. [~~The appointee of the chairman of the Kentucky state racing commission shall serve as chairman of the backside improvement commission.~~] The members of the commission shall serve without compensation, but shall be entitled to reimbursement for all expenses incurred in the discharge of official business.

(2) There is hereby created a trust and revolving fund for the backside improvement commission, consisting of money allocated to the fund under the provisions of KRS 138.515, together with such other money as may be contributed to or allocated to the fund from all other sources. Money to the credit of the backside improvement fund at the end of each fiscal year shall not lapse but shall be carried forward in such fund to the succeeding fiscal year. The backside improvement commission shall have the authority and may invest any and all funds received by the trust fund and interest earned by the investment of said funds in types of investments appropriate to the investment needs of the trust fund after having considered the financial return on authorized investment alternatives, the financial safety of investment alternatives and the impact of any authorized investments on the state's economy. The backside improvement commission shall review the status of the trust fund investments quarterly and report its findings to the finance and administration cabinet, the Kentucky state racing commission and the legislative research commission.

(3) The backside improvement commission shall employ such qualified personnel as may be required to assist the commission in carrying out the provisions of this section. Such persons shall serve at the pleasure of the commission and compensation for such personnel shall be fixed by the commission. The compensation

of such personnel and the necessary expenses incurred by the commission or by the committee in carrying out the provisions of this section shall be paid out of the backside improvement fund.

(4) The purpose of the fund shall be to improve the backside of racing associations averaging nine hundred thousand dollars ($900,000) or less pari-mutuel handle per racing day. The backside improvement commission shall use the backside improvement fund to promote, enhance, and improve the conditions of the backside of eligible racing associations. Said conditions shall include but not be limited to the living and working quarters of backside employes.

(5) The Kentucky state racing commission shall adopt such rules and regulations as may be necessary to carry out the provisions and purposes of this section.

Section 8. KRS 230.220 is amended to read as follows:

(1) There is hereby created the Kentucky state racing commission which shall be an independent agency of state government. The commission shall consist of nine (9) members [~~seven (7) of whom shall be~~] appointed by the governor. [~~One (1) member shall be appointed by the president pro tempore of the senate and one (1) member shall be appointed by the speaker of the house of representatives.~~] *It is recommended that no more than three (3) shall be from the same congressional district.* In making appointments, the governor *is encouraged to* [~~shall~~] secure broad representation within the thoroughbred industry, to include appointment of no fewer than two (2) breeders *and*[~~,~~] no fewer than two (2) horsemen[~~, and the geographic areas in which licensed racing associations are located shall be considered~~]. Recommendations for said appointments shall be sought from various industry groups, to include the Kentucky thoroughbred owners and breeders, inc., the Kentucky division of the horsemen's benevolent and protective association, and other interested organizations. *It is recommended that* at least one (1) of the members appointed by the governor shall have no financial interest in the business or industry regulated. [~~The seven (7) members appointed by the governor shall serve a term beginning July 1, 1982 and ending January 1, 1984, or shall serve until their successors are appointed and duly qualified. Thereafter, the seven (7)~~] *All* members appointed by the governor shall serve a term of four (4) years or until their successors are appointed and duly qualified. [~~The members appointed by the president pro tem of the senate and the speaker of the house shall serve a term of four (4) years~~ [~~beginning July 1, 1982, and shall serve until their successors are appointed and duly qualified.~~] Any vacancy on the commission shall be filled pursuant to the requirements and procedures for original appointments. Commissioners shall receive fifty dollars ($50) per day for each meeting attended and shall be reimbursed for all expenses paid or incurred in the discharge of official business. The commission shall designate one (1) of their number as chairman and another as vice chairman. Before entering upon the discharge of their duties, each commissioner shall take the constitutional oath of office.

(2) The commission shall establish and maintain a general office for the transaction of its business and may in its discretion establish a branch office or offices. The commission may hold meetings at any of such offices or at any other place when the convenience of the commission requires. All meetings of the commission shall be open and public, and all persons shall be permitted to attend any meetings. A majority of the commission shall constitute a quorum for the transaction of its business or exercise of any of its powers.

Section 9. KRS 230.240 is amended to read as follows:

(1) In addition to the employes referred to in KRS 230.230, the commission may employ, at reasonable compensation, stewards, supervisors of mutuels, veterinarians, inspectors, accountants, guards and other employes deemed by the commission to be essential at or in connection with any thoroughbred race meeting and to the best interest of racing. The commission for the purpose of maintaining integrity and honesty in racing shall prescribe by rule the powers and duties of the persons employed under this section and qualifications necessary to competently perform their duties. In addition, the commission shall be responsible for seeing that racing officials employed under the provisions of this section shall have adequate training to perform their duties in a competent manner.

(2) The commission shall promulgate rules and regulations for effectively preventing the use of improper devices, the administration of drugs or stimulants or other improper acts for the purpose of affecting the speed or health of horses in races in which they are to participate. *Any regulation promulgated to regulate drugs shall be necessary and reasonable and based on recommendations of the Kentucky equine drug research council as supported by valid scientific research.*[~~, and~~] In connection therewith the commission is authorized to acquire, operate and maintain, or to provide by contract for the maintenance and operation of, a testing laboratory and related facilities, for the purpose of saliva, urine or other tests, and to purchase supplies and equipment for and in connection with such laboratory or testing processes. The expense of the laboratory or other testing processes, whether furnished by contract or otherwise, together with all supplies

and equipment used in connection therewith, shall be paid by the various associations licensed under KRS 230.210 to 230.360 in such manner and in such proportions as the commission may by rule provide.

(3) The compensation of the employes referred to in this section shall be paid by the licensee conducting the thoroughbred race meeting in connection with which said employes are utilized or employed. The salary of the secretary to the commission shall be prorated among and paid by the various associations licensed under KRS 230.210 to 230.360 in the manner as the commission may, by rule, provide. The employes referred to in this section shall be deemed employes of the commission, and are paid by the licensee or association for convenience only.

(4) Each person, as a condition precedent to the privilege of receiving a license under KRS 230.210 to 230.360 to conduct a thoroughbred race meeting, shall be deemed to have agreed that it will pay such expenses and compensation as provided in this section and as may be actually and reasonably incurred.

Section 10. KRS 230.260 is amended to read as follows:

The commission, in the interest of *racing* [~~breeding or the improvement of the breed of thoroughbred horses~~], shall have all powers necessary and proper to carry out fully and effectually the provisions of KRS 230.210 to 230.360 including, but without limitation, the following:

(1) The commission is vested with jurisdiction and supervision over all thoroughbred race meetings in this Commonwealth and over all associations and all persons on association grounds and may eject or exclude therefrom or any part thereof, any person, licensed or unlicensed, whose conduct or reputation is such that his presence on association grounds may, in the opinion of the commission, reflect on the honesty and integrity of thoroughbred racing or appaloosa racing or interfere with the orderly conduct of thoroughbred racing or appaloosa racing at thoroughbred race meetings; provided, however, no persons shall be excluded or ejected from association grounds solely on the ground of race, color, creed, national origin, ancestry, or sex;

(2) The commission, its representatives and employes, may visit, investigate and have free access to the office, track, facilities or other places of business of any licensee for the purpose of satisfying itself that KRS 230.210 to 230.3611 and its rules and regulations are strictly complied with;

(3) The commission shall have full authority to prescribe necessary and reasonable rules, regulations and conditions under which thoroughbred horse racing and appaloosa racing at a thoroughbred race meeting shall be conducted in this state and to fix and regulate the minimum amount of purses, stakes or awards to be offered for the conduct of any thoroughbred race meeting, except that the commission shall not prefer by regulation or otherwise any licensees in their contractual relations with one another;

(4) *The commission shall meet a minimum of three (3) times a year in joint session with the Kentucky harness racing commission to discuss matters of mutual interest or concern.*

(5) Applications for licenses shall be made in the form, in the manner and contain information as the commission may, by rule, require. Fees for all licenses issued under KRS 230.310 shall be prescribed by and paid to the commission;

(6)[~~(5)~~] Any of the foregoing rules, regulations and conditions may be altered, amended, repealed and published from time to time. All rules, regulations and conditions shall become effective thirty (30) days after the filing thereof with the legislative research commission unless the governor finds an emergency to exist in which event the same shall become effective immediately upon filing with the legislative research commission. The commission may, but shall not be required to, advertise any of its regulations either before or after filing;

(7)[~~(6)~~] The commission may issue subpoenas for the attendance of witnesses before it and administer oaths to such witnesses whenever, in the judgment of the commission, it is necessary to do so for the effectual discharge of its duties;

(8)[~~(7)~~] *The commission shall compel a licensed racing association to publish and file with the commission within thirty (30) days after any thoroughbred race meeting conducted by it, the criteria it will use in allocating or denying stalls to applicants at its next race meeting. Said criteria shall state specifically the type of application it will prefer as well as the type of application it will reject, unless a licensed racing association has a written agreement with all organizations that represent at least thirty-four percent (34%) of*

the owners and trainers who raced thoroughbred horses in Kentucky within the twelve (12) preceding months that states a different method to be used in lieu thereof.

(9) The allocation of stalls and the acceptance or rejection of entries or subscriptions for thoroughbred racing by licensed racing associations shall not require as a condition of stabling or entering in a thoroughbred race the waiver or conveyance of any property or performance rights by any applicant.

(10) No licensed racing association shall prefer any licensee over another unless expressly provided for by chapter 810 of the Kentucky administrative regulations or by chapter 230 of the Kentucky revised statutes.

(11) The commission shall have authority to compel any racing association licensed under KRS 230.210 to 230.360 to file with the commission at the end of its fiscal year, a balance sheet, showing assets and liabilities, and an earnings statement, together with a list of its stockholders or other persons holding a beneficial interest in the association.

Section 11. KRS 230.265 is amended to read as follows:

(1) There is hereby created a panel, to be known as the Kentucky equine drug research council, to advise the commission on the conduct of equine drug research and testing commissioned by the state racing commission. The council shall consist of seven (7) members[~~:~~] *appointed by the governor. It is recommended that membership include* a veterinarian *representing* [~~appointed by~~] the Kentucky association of equine veterinarians, a horseman *representing* [~~appointed by~~] the Kentucky division of the horsemen's benevolent and protective association, a pharmacologist *representing* [~~appointed by~~] the University of Kentucky, a thoroughbred breeder *representing* [~~appointed by~~] the Kentucky thoroughbred owners and breeders, inc., [~~a legislator appointed by the legislative research commission,~~] a representative of a licensed racing association, [~~and~~] a *representative* [~~member~~] of the state racing commission[~~, appointed by the chairman of the state racing commission~~], to serve as chairman *and a representative of the harness racing commission*[~~, appointed by the chairman of the harness racing commission~~]. The council shall meet at the call of the chairman, a majority of the council or at the request of the commission. Members shall serve at the pleasure of *the governor* [~~their respective sponsoring organizations~~] and shall receive no compensation for serving.

(2) The Kentucky equine drug research council shall review equine drug research and testing research being conducted at the University of Kentucky or with state funds and shall review and report to the commission on drug research and testing research being conducted elsewhere. The council shall advise the commission and make *all* recommendations for establishing an effective drug regulatory policy for Kentucky racing. In addition, the council shall report to *each* [~~the 1984~~] general assembly any needed changes regarding the regulation of drugs in thoroughbred *and harness* racing in the Commonwealth of Kentucky.

(3) The commission shall receive one-tenth of one percent (.1%) of the total amount wagered in Kentucky deducted from the pari-mutuel tax levied in KRS 138.510 to be used in financing drug research and testing research in Kentucky, *pursuant to recommendations by the council,* which shall be in addition to any funds appropriated to the commission for such purposes in the executive budget.

Section 12. KRS 230.330 is amended to read as follows:

Any licensee or any applicant aggrieved by any order of the commission may appeal to the Franklin Circuit Court *or the circuit court in the county where the controversy, cause of action or some part thereof arose,* within the time and in the manner provided by KRS 243.560 to 243.590.

Section 13. KRS 230.361 is amended to read as follows:

(1) The commission shall adopt rules governing and regulating mutuel wagering on thoroughbred races and appaloosa races at a thoroughbred race meeting under what is known as the pari-mutuel system of wagering. Such wagering shall be conducted only by a person licensed under KRS 230.210 to 230.360 to conduct a thoroughbred race meeting and only upon the licensed premises. The pari-mutuel system of wagering shall be operated only by a totalizator or other mechanical equipment approved by the commission. The commission shall not require any particular make of equipment.

(2) Other provisions of the Kentucky Revised Statutes notwithstanding, the commission shall permit a licensed association to conduct pari-mutuel wagering on racing conducted at another licensed association in the Commonwealth. Such wagering shall form a common pool with wagering conducted by the association

conducting the racing. The commission shall also permit licensed associations to conduct pari-mutuel wagering on special event races conducted in other states or foreign countries, which are determined to be of sufficient national or international significance or interest to warrant interstate wagering. All such wagering shall form a common pool and shall be conducted in accordance with applicable federal law. *Wagering conducted under this subsection shall be referred to as "multi-track wagering" and shall be subject to necessary and reasonable regulation by the commission.*

(3) *No multi-track wagering shall be permitted unless the track conducting the wagering has a written agreement giving consent to the use of multi-track wagering from all organizations which represent at least thirty-four percent (34%) of the owners and trainers that raced thoroughbred horses in Kentucky within the twelve (12) preceding months.*

(4) The take-out for pari-mutuel wagering conducted under subsection (2) of this section shall be an amount equal to that withheld under the provisions of KRS 138.515. Gross revenues retained from such wagering, after payment of the pari-mutuel tax only, shall be applied to purses *at the track conducting the wagering* in the same percent ratio as gross revenues from on-track pari-mutuel wagering, after payment of the pari-mutuel tax only, are applied to purses. Remaining revenues shall be apportioned by contractual agreement between the association conducting the racing and the association conducting the wagering under subsection (2). The pari-mutuel tax credit permitted in KRS 138.510 shall not apply to pari-mutuel wagering conducted under subsection (2) of this section.

(5)[~~(4)~~] In no event shall the operation of a pari-mutuel system for betting where authorized by law constitute grounds for the revocation or suspension of any license issued and held under KRS 230.350.

(6)[~~(5)~~] All reported but unclaimed pari-mutuel winning tickets held in this state by any person or association operating a pari-mutuel or similar system of betting at thoroughbred race meetings shall be presumed abandoned if not claimed by the person entitled thereto within two (2) years from the time the ticket became payable.

Section 14. KRS 230.400 is amended to read as follows:

(1) There is hereby created a trust and revolving fund for the Kentucky state racing commission, designated as the Kentucky thoroughbred development fund, consisting of money allocated to the fund under the provisions of KRS 138.510, together with such other money as may be contributed to or allocated to the fund from all other sources. Money to the credit of the Kentucky thoroughbred development fund shall be distributed by the treasurer for the purposes herein provided upon authorization of the Kentucky state racing commission and upon approval of the secretary of the finance and administration cabinet. Money from the Kentucky thoroughbred development fund shall be allocated to each licensed association in an amount equal to the amount the association contributed to the fund. Money to the credit of the Kentucky thoroughbred development fund at the end of each fiscal year shall not lapse, but shall be carried forward in such fund to the succeeding fiscal year.

(2) There is hereby established, under the general jurisdiction of the Kentucky state racing commission, a Kentucky thoroughbred development fund advisory committee. The advisory committee shall consist of five (5) members, all of whom shall be residents of Kentucky, to be appointed by the *governor* [~~chairman of the Kentucky state racing commission~~] by July 1 of each year. *It is recommended that* the committee [~~shall~~] consist of *one (1)* [~~two (2)~~] thoroughbred breeders recommended by the Kentucky thoroughbred owners and breeders, inc.; one (1) thoroughbred owner recommended by the Kentucky division of the horsemen's benevolent and protective association; one (1) officer or director of a licensed association conducting thoroughbred racing in Kentucky *averaging nine hundred thousand dollars ($900,000) or less per racing day in pari-mutuel handle; one (1) officer or director of a licensed association conducting thoroughbred racing in Kentucky averaging over nine hundred thousand dollars ($900,000) per racing day in pari-mutuel handle* [~~, recommended by action of all of the licensed associations conducting thoroughbred racing in Kentucky~~]; and one (1) member of the Kentucky state racing commission. [~~If any member other than the commission member has not been recommended for appointment by July 1 of each year, the chairman of the Kentucky state racing commission shall make an appointment for the organization or organizations failing to so recommend a member of the committee.~~] The members of the advisory committee shall serve without compensation, but shall be entitled to reimbursement for all expenses incurred in the discharge of official business. The advisory committee shall select from its membership annually a chairman and a vice chairman.

(3) (a) The Kentucky thoroughbred development fund committee shall advise and assist the

Kentucky state racing commission in the development of the supplemental purse program provided herein for Kentucky bred thoroughbreds, shall make recommendations to the commission from time to time with respect to the establishment of guidelines, rules and regulations for the provision of such supplemental purses, the amount thereof, the races for which such purses are to be provided and the conditions thereof, manner and method of payment of such supplemental purses, registry of thoroughbred stallions standing within the Commonwealth of Kentucky, registry of Kentucky bred thoroughbreds for purposes of this section, nature and type of forms and reports to be employed and required in connection with the establishment, provision for, award and payment of such supplemental purses and with respect to all other matters necessary in connection with the carrying out of the intent and purposes of this section.

(b) The Kentucky state racing commission shall employ such qualified personnel as may be required to assist the commission and the advisory committee in carrying out the provisions of this section. Such persons shall serve at the pleasure of the commission and compensation for such personnel shall be fixed by the commission. The compensation of such personnel and the necessary expenses incurred by the commission or by the committee in carrying out the provisions of this section shall be paid out of the Kentucky thoroughbred development fund.

(4) The Kentucky state racing commission, with the advice and assistance of the Kentucky thoroughbred development fund advisory committee, shall use the Kentucky thoroughbred development fund to promote, enhance, improve and encourage the further and continued development of the thoroughbred breeding industry in Kentucky by providing, out of the Kentucky thoroughbred development fund, supplemental purses for [~~designated stakes, handicap,~~] allowance and non-claiming maiden races contested at licensed thoroughbred race meetings in Kentucky, the awarding and payment of which supplemental purses shall be conditioned upon the winning or placing in such races by Kentucky bred thoroughbred horses. Any supplemental purse provided for a designated race shall be apportioned among the winning and placing horses in the same proportion as the stake or purse provided for such race by the racing association. Winning or placing as used in this section shall include those horses finishing first, second, third and fourth in such races. That portion of the supplemental purse provided for any [~~such designated~~] race for a winning or placing finish shall be awarded and paid to the owner of the horse so finishing only if such horse is a Kentucky bred thoroughbred duly registered as such with the official registrar. Any portion of the supplemental purse which is not awarded and paid over shall be returned to the Kentucky thoroughbred development fund.

(5) (a) For purposes of this section, the term Kentucky thoroughbred stallion shall mean and include only a thoroughbred stallion standing the entire breeding season in Kentucky and registered as a Kentucky thoroughbred stallion with the official registrar of the Kentucky thoroughbred development fund.

(b) Except for thoroughbred horses foaled prior to January 1, 1980, the term Kentucky bred thoroughbreds for purposes of this section, shall mean and include only thoroughbred horses sired by Kentucky thoroughbred stallions foaled in Kentucky and registered as a Kentucky bred thoroughbred with the official registrar of the Kentucky thoroughbred development fund.

(c) Any thoroughbred horse foaled prior to January 1, 1980, may qualify as a Kentucky bred thoroughbred for purposes of this section if such horse was foaled in Kentucky and if the sire of such thoroughbred was standing at stud within Kentucky at the time of conception of such thoroughbred, provided such thoroughbred is duly registered as a Kentucky bred thoroughbred with the official registrar of the Kentucky thoroughbred development fund.

(d) In order for an owner of a Kentucky sired thoroughbred to be eligible to demand, claim and receive a portion of a supplemental purse provided by the Kentucky thoroughbred development fund, the thoroughbred horse winning or placing in a designated race for which a supplemental purse has been provided by the Kentucky thoroughbred development fund must have been duly registered as a Kentucky bred thoroughbred with the official registrar of the Kentucky thoroughbred development fund prior to entry in such race.

(6) (a) *The* Kentucky *state racing commission* [~~Thoroughbred Owners and Breeders, Inc.,~~] is hereby recognized and designated as the sole official registrar of the Kentucky thoroughbred development fund for the purposes of registering Kentucky thoroughbred stallions and Kentucky bred thoroughbreds in accord with the terms of this section and such rules and regulations as may be promulgated by the Kentucky state racing commission. When a Kentucky bred thoroughbred is registered with the official registrar, the registrar shall be authorized to stamp the Jockey Club certificate issued for such thoroughbred with the seal of the registrar, certifying that the said thoroughbred is a duly qualified and registered Kentucky bred thoroughbred for purposes of this section. The *commission* [~~registrar~~] may establish and charge[~~, with the approval of the~~

~~commission,~~] reasonable registration fees, *not to exceed twenty-five dollars ($25),* for its services in the registration of Kentucky thoroughbred stallions and in the registration of Kentucky bred thoroughbreds. Registration records of the *commission* [~~registrar~~] shall be public records and open to public inspection at all normal business hours and times.

(b) Any interested party aggrieved by the failure or refusal of the official registrar to register a stallion or thoroughbred as a Kentucky stallion or as a Kentucky bred thoroughbred shall have the right to file with the commission, within thirty (30) days of such failure or refusal of the *commission* [~~registrar~~], petition seeking *a rehearing on the matter* [~~registration of such thoroughbred~~]. The commission shall promptly hear the matter de novo and issue its order [~~directing the official registrar~~] to register or not to register [~~as it may be determined by the commission~~].

(7) The Kentucky state racing commission shall adopt such rules and regulations as may be necessary to carry out the provisions and purposes of this section, including the adoption of such rules and forms as may be appropriate for the proper registration of Kentucky stallions and Kentucky bred thoroughbreds with the official registrar, and shall administer the Kentucky bred thoroughbred program created hereby in a manner best designed to promote and aid in the further development of the thoroughbred breeding industry in Kentucky, to upgrade the quality of thoroughbred racing in Kentucky and to improve the quality of thoroughbred horses bred in Kentucky.

Section 15. KRS 230.620 is amended to read as follows:

(1) The Kentucky harness racing commission shall be an agency independent of state administrative departments and shall be in the public protection and regulation cabinet.

(2) The commission shall consist of nine (9) persons *appointed by the governor. It is recommended that* the governor [~~shall~~] appoint [~~seven (7) members and~~] at least one (1) of these members *who* shall have no financial interest in the business or industry regulated. *It is recommended that no more than three (3) members be appointed from the same Congressional district.* [~~The president pro tem of the senate shall appoint one (1) member and the speaker of the house shall appoint one (1) member. the seven (7) members appointed by the governor shall serve a term beginning July 1, 1982, and ending January 1, 1984, or shall serve until their successors are appointed and duly qualified. Thereafter, the seven (7)~~] *All* members appointed by the governor shall serve a term of four (4) years or until their successors are appointed and duly qualified. [~~The members appointed by the president pro tem of the senate and the speaker of the house shall serve a term of four (4) years beginning July 1, 1982, and shall serve until their successors are appointed and duly qualified.~~]

(3) The commission shall biennially make a full report to the general assembly of its proceedings for the two-year period ending December 1 preceding the meeting of the general assembly, and shall embody in the report such suggestions and recommendations as it deems desirable.

(4) The commission may appoint one (1) or more deputy commissioners and assistant deputy commissioners who shall perform such duties as prescribed by the commission.

(5 The members of the commission shall receive fifty dollars ($50) per day for each commission meeting they attend.

Section 16. KRS 230.630 is amended to read as follows:

The commission, in the interest of breeding or the improvement of the breed of standardbred horses, shall have all powers necessary and proper to carry out fully and effectually the provisions of KRS 230.610 to 230.760 including, but without limitation, the following:

(1) The commission is vested with jurisdiction and supervision over all standardbred horse race meetings in this Commonwealth and over all associations and all persons on association grounds and may eject or exclude therefrom or any part thereof any person, licensed or unlicensed, whose conduct or reputation is such that his presence on association grounds may, in the opinion of the commission, reflect on the honesty and integrity of standardbred horse racing or interfere with the orderly conduct of standardbred horse racing; provided, however, no persons shall be excluded or ejected from association grounds on the basis of race, color, creed, national origin, ancestry, or sex;

(2) The commission, its representatives and employes, may visit, investigate and have free access to

the office, track facilities or other places of business of any licensee for the purpose of satisfying itself that the provisions of KRS 230.610 to 230.760 and its rules and regulations are strictly complied with;

(3) The commission shall have full authority to prescribe rules, regulations and conditions under which standardbred horse racing shall be conducted in this state and to fix and regulate the minimum amount of purses, stakes or awards to be offered for the conduct of any standardbred race meeting;

(4) Any of the foregoing rules, regulations and conditions may be altered, amended, repealed and published from time to time. The commission may advertise any of its regulations either before or after filing;

(5) *The commission shall meet a minimum of three (3) times a year in joint session with the Kentucky state racing commission to discuss matters of mutual interest or concern.*

(6) The commission may issue subpoenas for the attendance of witnesses before it and administer oaths to such witnesses whenever, in the judgment of the commission, it is necessary to do so for the effectual discharge of its duties. Any person failing to appear before the commission at the time and place specified in said summons, or refusing to testify, shall be deemed guilty of a misdemeanor and upon conviction by a court of competent jurisdiction shall be punished by a fine of not more than one thousand dollars ($1,000) or by imprisonment for not more than six (6) months, or both. False swearing on the part of any witness shall be deemed perjury and punished as such;

(7)[~~(6)~~] The commission shall have authority to compel any racing association licensed under KRS 230.610 to 230.760 to file with the commission from time to time a balance sheet, showing assets and liabilities, and an earnings statement, together with a list of its stockholders or other persons holding a beneficial interest in the association, and such other financial reports or other records as may be beneficial for the commission to conduct its business;

(8)[~~(7)~~] The present rules and regulations of the Kentucky trotting commission shall remain in effect as the initial rules and regulations of the Kentucky harness racing commission until revoked or modified by the Kentucky harness racing commission.

Section 17. KRS 230.640 is amended to read as follows:

(1) It is the policy of the Commonwealth of Kentucky, in furtherance of its responsibility to foster and to encourage legitimate occupations and industries in the Commonwealth and to promote and to conserve the public health, safety, and welfare, and it is hereby declared the intent of the Commonwealth to foster and to encourage the standardbred horse breeding industry within the Commonwealth and to encourage the improvement of the breed of standardbred horses. Further, it is the policy and intent of the Commonwealth to foster and to encourage the business of legitimate standardbred racing with pari-mutuel wagering thereon in the Commonwealth on the highest possible plane. Further, it hereby is declared the policy and intent of the Commonwealth that all standardbred racing not licensed as provided herein is a public nuisance and may be enjoined as such. Further, it is hereby declared the policy and intent of the Commonwealth that the conduct of standardbred racing, or the participation in any way in standardbred racing, or the entrance to or presence where standardbred racing is conducted, is a privilege and not a personal right; and that this privilege may be granted or denied by the commission or its duly approved representatives acting in its behalf.

(2) It is hereby declared the purpose and intent of the Commonwealth in the interest of the public health, safety, and welfare, to vest in the commission *authority to regulate* [~~forceful control of~~] standardbred racing in the Commonwealth with [~~plenary~~] power to prescribe *necessary and reasonable* rules and regulations and conditions under which all legitimate standardbred racing and wagering thereon is conducted in the Commonwealth so as to encourage the improvement of the breed of standardbred horses in the Commonwealth, to regulate and maintain standardbred racing in the Commonwealth of the highest quality and free of any corrupt, incompetent, dishonest, or unprincipled standardbred racing practices, and to regulate and maintain standardbred racing in the Commonwealth so as to dissipate any cloud of association with the undesirable and maintain the appearance as well as the fact of complete honesty and integrity of standardbred racing in the Commonwealth. In addition to the general powers and duties vested in the commission, it is the intent hereby to vest in the commission the power to eject or exclude from association grounds, or any part thereof any person, licensed or unlicensed, whose conduct or reputation is such that his presence on association grounds may, in the opinion of the commission, reflect on the honesty and integrity of standardbred racing or interfere with the orderly conduct of standardbred racing. The power of the

commission to penalize persons for violation of KRS 230.610 to 230.760 or any rule or regulation of the commission shall not be limited to denial of, suspension of, revocation of, or voidance of a license to conduct or participate in standardbred racing, and ejection and exclusion of persons from association grounds but the commission may in its discretion impose fines not to exceed five thousand dollars ($5,000) against an association and one thousand dollars ($1,000) against other licensees in addition thereto.

Section 18. KRS 230.660 is amended to read as follows:

(1) In addition to the employes referred to in KRS 230.650, the commission may employ, at reasonable compensation, veterinarians, inspectors, accountants, guards and other employes deemed by the commission to be essential at or in connection with any standardbred horse race meeting and to the best interest of standardbred racing. The commission for the purpose of maintaining integrity and honesty in standardbred racing shall prescribe by rule the powers and duties of the persons employed under this section or performing duties rendering services to an association. The commission shall promulgate rules and regulations for effectively preventing the use of improper devices, the administration of drugs or stimulants or other improper acts for the purpose of affecting the speed or health of horses in races in which they are to participate. *Any regulation promulgated to regulate drugs shall be necessary and reasonable and based on recommendations of the Kentucky equine drug research council as supported by valid scientific evidence.* [~~, and~~] In connection therewith the commission is authorized to acquire, operate and maintain, or to provide by contract for the maintenance and operation of, a testing laboratory and related facilities, for the purpose of saliva, urinal or other tests, and to purchase supplies and equipment for and in connection with such laboratory or testing processes. The expense of the laboratory or other testing processes, whether furnished by contract or otherwise, together with all supplies and equipment used in connection therewith, shall be paid by the various associations licensed under KRS 230.610 to 230.760 in such manner and in such proportions as the commission may by rule provide.

(2) The compensation of the employes referred to in this section shall be paid by the licensee directly or to the commission, as the commission shall direct the conducting of the standardbred race meeting in connection with which said employes are utilized or employed. The salary of the secretary to the commission and costs of operation of the commission including but not limited to office rental, expenses, utilities, commissioners' actual expenses, etc. shall be prorated among and paid by the various associations licensed under KRS 230.610 to 230.760 in the manner as the commission may, by rule, provide. The employes referred to in this section shall be deemed employes of the commission, and are paid by the licensee or association for convenience only.

(3) Each person, as a condition precedent to the privilege of receiving a license under KRS 230.610 to 230.760 to conduct standardbred horse race meetings shall be deemed to have agreed that it will pay such expenses and compensation as provided in this section.

SECTION 19. A NEW SECTION OF KRS CHAPTER 230 IS CREATED TO READ AS FOLLOWS:

(1) There is hereby established an equine industry program at the University of Louisville, under the general control and direction of the university. The purpose of the equine industry program is to provide training and educational opportunities in the horse racing industry relating to, but not limited to, finance, management, marketing regulation and administration aspects of the horse racing industry, in accordance with the industry needs as determined by the university.

(2) There is hereby created a trust and revolving fund for the equine industry program, consisting of money allocated to the fund under the provisions of subsection (4) of this section, together with such other money as may be contributed or allocated to the fund from all other sources. Money to the credit of the equine industry program fund at the end of each fiscal year shall not lapse but shall be carried forward to the succeeding fiscal year. Money from the equine industry program fund shall be administered by the University of Louisville and shall be allocated for the funding of the equine industry program.

(3) The University of Louisville shall utilize personnel and facilities of Murray State University when appropriate for assistance in any cooperative undertakings the University of Louisville may wish to enter into with Murray State University relating to the equine industry program.

(4) The equine industry program shall receive two-tenths of one percent (.2%) of the total amount wagered in Kentucky deducted from the pari-mutuel tax levied in KRS 138.510 to be used in financing such program.

SECTION 20. A NEW SECTION OF KRS CHAPTER 230 IS CREATED TO READ AS FOLLOWS:

(1) The president of the University of Louisville shall appoint an equine industry advisory commission composed of five (5) members who are Kentucky citizens and at least three (3) of whom shall be representatives of the Kentucky equine industry. One (1) of these appointees shall be designated chairman of the commission. Their terms shall be for four (4) years or until their successors are named.

(2) The equine industry advisory commission shall make recommendations to the president for development of a comprehensive equine industry program.

(3) The equine industry advisory commission members shall not be compensated for their time but expenses may be reimbursed from revenues derived as provided in Section 18 of this Act.

(4) Staff services for the equine industry advisory commission shall be provided by the University of Louisville.

Section 21. KRS 139.531 is amended to read as follows:

Notwithstanding all other provisions of this chapter, the taxes imposed by this chapter shall apply to the horse industry as follows:

(1) The taxes imposed under the provisions of this chapter shall apply to the following transactions:

(a) Fees paid *or the equivalent of fees paid by trading* for breeding a stallion to a mare in this state;

(b) Sales of *all* horses *within the Commonwealth* [~~unless exempted under the provisions of subsections (2)(a) or (2)(c) of this section~~];

(c) Claiming price of any horse claimed at any race meeting within this state.

(2) Any person who purchases a horse within the Commonwealth and who is a non-resident, shall be eligible for a rebate of the tax paid in subsection (1)(b) of this section upon application to the department of revenue, providing proof of non-residency, providing proof of purchase and providing proof that the horse purchased is removed from the state within a reasonable period of time, as established by the department of revenue.

(3) Kentucky residents shall be eligible for a tax rebate on the tax paid in paragraph (1)(b) of this section upon application to the department of revenue providing an affidavit stating the purchaser is a resident of the Commonwealth and that the purchased horse is for breeding purposes only. [~~The taxes imposed under the provisions of this chapter shall not apply to the sale or use of:~~

~~(a) Horses, or interests or shares in horses, provided the purchase or use is made for breeding purposes only;~~

~~(b) Stallion services, including the trading but not the sale thereof, providing the use or trading is made by the owner of the stallion or the owner of an interest or share in the stallion;~~

~~(c) Horses less than two years of age at the time of sale, provided the sale is made to a nonresident of Kentucky, and the horse is transported out of the state, either immediately following the sale or immediately following training within the state if the horse is kept temporarily within the state for training purposes following the sale.~~]

(4)[~~(3)~~] The taxes imposed by this chapter shall not apply to receipts for boarding and training of horses within this state, [~~nor to the temporary use of horses within this state~~] for purposes of racing, exhibiting, or performing.

(5) All revenues generated under this section shall be used exclusively in the funding of elementary and secondary education.

Floor Amendment No. 1 to **HB 738,** by Representative Petty:

Amend printed copy of **HB 738,** on page 1, line 6, after the word "club" by inserting the following word "*, restaurant*"; and

On line 8, after the word "members" by inserting the following word "*, customers*"; and

on line 9, after the word "drink" by deleting the opening bracket and strike throughs; and

On lines 10, 11, and 12, by deleting the strike throughs and the closing brackets.

Floor Amendment No. 2 to **HB 738,** by Representative Petty:

Amend printed copy of **HB 738,** on page 1, line 6, after the word "club" by inserting the following word "*, restaurant*"; and

On line 8, after the word "members" by inserting the following word "*, customers*"; and

on line 9, after the word "drink" by deleting the opening bracket and strike throughs; and

On lines 10, 11, and 12, by deleting the strike throughs and the closing brackets; and

On line 9, by deleting "with a meal."

Floor Amendment No. 1 to **HB 742,** by Representative Barrows:

Amend printed copy of Committee Substitute to **HB 742,** on page 2, lines 13-15, after the number "*(4)*", by deleting them in their entirety;

And on page 2, line 16, by deleting the words "*provisions of this section; provided, however, that*" and by capitalizing the first letter of the word "*no*".

Floor Amendment No. 1 to **HB 753,** by Representative Nett:

Amend printed copy of Committee Substitute to **HB 753,** on page 4, line 19, by inserting between the words "*that*" and "*any*", the word "*for*";

And page 4, line 22, delete the phrase "*is presumed to have*" continuing to line 23, and insert in lieu thereof the following: "*there shall arise a rebuttable presumption that he*".

Floor Title Amendment to **HB 758,** by Representative Clarke:

Amend printed copy of Committee Substitute to **HB 758,** amend the title to read as follows: AN ACT relating to grain.

Floor Amendment No. 1 to **HB 758,** by representative clarke:

Amend printed copy of Committee Substitute to **HB 758,** on page 13, lines 14-26, and on page 14, lines 1-6, by deleting those lines in their entirety and by renumbering the subsequent sections.

Floor Title Amendment to **HB 812,** by Representative B. Smith:

Amend printed copy of **HB 812,** on page 1, title line, by amending the title to read as follows: "AN ACT relating to utilities"

Floor Amendment No. 1 to **HB 812,** by Representative B. Smith:

Amend printed copy of **HB 812,** on page 2, line 1, by deleting the word "*or*" and substituting therefore ",".

And on page 2, line 1, after the word "*association*" by adding the following words "*or other utilities as defined by KRS 278.010(3)*"

Floor Amendment No. 1 to **HB 885**, by Representative Deskins:

Amend printed copy of **HB 885**, page 2, line 25, by deleting ",", page 2, by deleting line 26, in its entirety, and page 3, line 1, by deleting "*insolvent insurer*".

Floor Amendment No. 2 to **HB 992**, by Representative Pearman:

Amend printed copy of **HB 992**, on page 8, after line 19, by adding the following:

"Section 6. KRS 341.530 is amended to read as follows:

(1) The department shall maintain a reserve account for each subject employer, and shall, except as provided in KRS 341.590, credit to such account the total amount of all contributions paid by the employer on his own behalf. Nothing in this section or elsewhere in this chapter shall be construed to grant any employer or individual who is or was in his employ prior claims or rights to the amounts paid by him into the fund.

(2) Except as provided in subsection (3) of this section, all regular benefits paid to an eligible worker in accordance with KRS 341.380 plus the extended benefits paid in accordance with KRS 341.700 through KRS 341.740, subject to the provisions of paragraphs (a) and (b) below, shall be charged against the [~~reserve~~] account of his most recent employer. No employer shall be deemed to be the most recent employer unless the eligible worker to whom benefits *are payable* [~~were paid~~] shall have *worked for* [~~been in the employ of~~] such employer *in each of ten (10) weeks* [~~for at least thirty (30) days~~] whether or not consecutive.

(a) Subject employers, which are not governmental entities as defined in KRS 341.069, shall be charged one-half (1/2) of the extended benefits paid in accordance with KRS 341.700 through 341.740; and

(b) Subject employers which are governmental entities, as defined in KRS 341.069, shall be charged for all extended benefits paid in accordance with KRS 341.700 through 341.740 for compensable weeks occurring on or after January 1, 1979 and for one-half (1/2) of the extended benefits paid for compensable weeks occurring prior to such date.

(3) Notwithstanding the provisions of subsection (2) of this section, benefits paid to an eligible worker and chargeable to an employer's reserve account under such subsection shall be charged against the pooled account if such worker was [~~in the employ of such employer for less than thirty (30) days whether or not consecutive, or~~] discharged by such employer for misconduct connected with his most recent work for such employer, voluntarily left his most recent work with such employer without good cause attributable to the employment, or such employer has continuously employed the worker without significant interruption since the end of the worker's base period and in the week with respect to which benefits are paid, wages and employment are provided to the worker by such employer to the same extent as during the base period, and the employer within a reasonable time, as prescribed by regulation of the secretary, notifies the department, in writing, of the alleged voluntary quitting, discharge for misconduct or continuing employment; provided, however, that no employer making payments to the fund in lieu of contributions shall be relieved of charges by reason of this subsection.

(4) Each subject employer's reserve account shall, unless terminated as of the computation date (as defined in subsection (6) of KRS 341.270), be charged with all benefits paid to eligible workers which are chargeable to such reserve account under subsection (2) of this section. A subject employer's reserve account shall be deemed to be terminated if he has ceased to be subject to this chapter, and his account has been closed and any balance remaining therein has been transferred to the fund's pooled account or to a successor's account as provided in KRS 341.540.

(5) Any subject employer may at any time make voluntary payments to the fund, additional to the contributions required under KRS 341.260 and 341.270. Notwithstanding any other provision of this chapter, contributions paid on or before the computation date and voluntary payments made within twenty days following the mailing of notices of new rates shall, in accordance with regulations established by the secretary, be credited to an employer's reserve account as of the computation date; provided, no voluntary payments shall be used in computing an employer's rate unless such payment is made prior to the expiration of one hundred and twenty days after the beginning of the year for which such rate is effective. The provisions of this subsection shall expire on July 1, 1983.

(6) Notwithstanding subsection (1) of this section, two (2) or more nonprofit (Internal Revenue Code 501(c)(3)) organizations may jointly request the secretary to establish a group reserve account for such nonprofit organizations. Two (2) or more governmental entities may jointly request the secretary to establish a group reserve account, and once established, such account shall remain in effect at least two (2) calendar years and thereafter until either dissolved at the discretion of the secretary or upon filing application for dissolution by the group members. Each member of a group shall be jointly and severally liable for all payments due under this chapter from each or all of such group members. The secretary shall prescribe such procedures as he deems necessary for the establishment, maintenance and dissolution of a group reserve account."

Adjournment

Representative LeMaster moved that the House adjourn until 2:00 p.m., Wednesday, March 14, 1984.

On the roll call the vote was yeas 60-Allen, Arnold, Bendl, Bennett, Blevins, Burch, Caldwell, L. Clark, P. Clark, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ford, Freibert, Fryman, Gedling, Hancock, Handy, Hines, Holloway, Johnson, Kidd, Layman, LeMaster, List, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Morris, Nett, Noe, Noland, O'Brien, Pearman, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Williams, Worthington. Nays 1-Moore.

The motion to adjourn was adopted.

WEDNESDAY, MARCH 14, 1984

FORTY-SIXTH LEGISLATIVE DAY

The House was called to order by Speaker Richardson.

Prayer by Reverend Ronald Henwood, Carlisle Christian Church, Carlisle, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present.

Representative Brinkley moved that the reading of the Journal of March 13, 1984, be dispensed with and the same approved. Agreed.

Senate Message

Announcing passage of **SB 185, SB 287, SB 343, SB 357,** and **HB 579**.

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bills and Resolutions:

Agriculture and Small Business: **HR 126.**

Banking and Insurance: **SB 334.**

Business Organizations and Professions: **SB 252.**

Labor and Industry: **SB 351.**

Natural Resources and Environment: **SB 83.**

State Government: **SB 225, SB 325, HR 127.**

Transportation: **SB 128.**

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bills and Resolutions have been posted for Committee consideration:

Natural Resources and Environment: **SB 58, SB 285, SB 298, SB 300, SB 330, HCR 121, HCR 125.**

Report of Committees

The Committee on Rules reported **HB 473, HB 684, HB 868, HB 886, HB 992, HB 743, HB 729, HB 860, HB 895, SB 176, SB 215, HB 710,** and **HB 612** have been posted for passage in Orders of the Day, March 15, 1984.

The Committee on Rules reported the following Bills and Resolution have been recommitted:

Appropriations and Revenue: **HB 699, HR 66.**

Labor and Industry: **HB 592.**

Judiciary-Civil: **HB 618.**

Business Organizations and Professions: **HB 247, HB 790.**

Counties and Special Districts: **HB 753.**

Natural Resources and Environment: **HB 812.**

The Committee on Agriculture and Small Business reported **HJR 74, SB 190, SB 283,** and **SB 327** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HJR 74, A JOINT RESOLUTION directing the University of Kentucky College of Agriculture to conduct a study of the effects of imported tobacco on Kentucky's burley market.

WHEREAS, imported raw tobacco is year-by-year composing a larger percentage of the total annual consumption of tobacco in this country, accounting for about twenty percent of all burley used by the U. S. manufacturers; and

WHEREAS, the quality of imported raw tobacco is inferior to Kentucky-grown tobacco; and

WHEREAS, the income to Kentucky burley tobacco growers from the sale of the most recent tobacco crop was less than one-half of the previous year's income; and

WHEREAS, a record high proportion of the 1983 crop went to the grower cooperatives under price support loans; and

WHEREAS, farm foreclosures and farm bankruptcies are the highest since the Great Depression; and

WHEREAS, the income from tobacco is essential to thousands of Kentucky farmers, especially those farmers growing only a few thousand pounds of tobacco; and

WHEREAS, the very existence of Kentucky's tobacco farmers is threatened at home and from abroad;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the University of Kentucky College of Agriculture is directed to study the effects of imported raw tobacco on Kentucky's burley market and the resultant effects on Kentucky's agriculture.

Section 2. That the College of Agriculture make recommendations concerning these effects on Kentucky's burley market and agriculture.

Section 3. That the College of Agriculture complete this study and report it to the Interim Joint Committee on Agriculture and Natural Resources by October 1, 1984.

Section 4. That copies of this resolution be sent to the President of the University of Kentucky and to the Dean, College of Agriculture, University of Kentucky.

SB 190, AN ACT relating to reorganization of state agencies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 247.130 is amended to read as follows:

(1) The state fair board may appoint a manager who shall not be one of their number. The appointment of a manager shall be on the basis of training, ability and experience. A manager shall hold his position during the pleasure of the board, but may be removed only by an affirmative vote of six (6) members of the board. A manager shall be responsible for the administration of the policies set by the board, shall devote his entire time and attention to the performance of such duties and work as may be required of him by law or be assigned to him by the board, and shall receive such salary, fixed on an annual basis, as the board may determine.

(2) A manager may organize such administrative divisions as may be necessary and may designate chiefs of such divisions who, under his control and supervision, shall have the duties of direction of such divisions. *The manager shall organize a division for personnel management and staff development which shall manage all personnel matters, including staff development and training and programs for affirmative action. The director of this division shall be appointed, with the prior written approval of the governor, by the*

president of the board. A manager may employ such other employes and agents as he deems necessary for the carrying out of the policies of the board and to conduct the affairs of the state fair, and may fix the duties and compensation of any employes or agents with the approval of the board.

(3) The board may employ or contract with such other persons, firms or corporations as the board may deem necessary or desirable to accomplish its duties and functions; may fix the compensation and the terms of employment or contract of those employed or contracted with; and may assign to them such duties and responsibilities as the board may determine, including the responsibility of actual operation of any or all of the facilities under the control of the board.

(4) A manager and any persons employed under this section shall not be subject to the provisions of KRS chapter 18A.

Section 2. The General Assembly confirms Executive Order 82-242, signed March 30, 1982 and relating to the reorganization of the state fair board to the extent that it is not otherwise confirmed by this Act.

SB 283, AN ACT relating to the sale and distribution of fertilizers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 250 IS CREATED TO READ AS FOLLOWS:

This Act shall be administered by the director of the Kentucky agricultural experiment station hereinafter referred to as the "director." The term "director" when used in this Act shall mean the director or his designee.

SECTION 2. A NEW SECTION OF KRS CHAPTER 250 IS CREATED TO READ AS FOLLOWS:

As used in the Act, unless the context otherwise requires:

(1) "Fertilizer" means any substance containing one (1) or more recognized plant nutrients which is used for its plant nutrient content and which is designed for use or claimed to have value in promoting plant growth, except unmanipulated animal and vegetable manures, marl, lime, limestone, wood ashes and other products exempted by regulation by the director.

(2) "Fertilizer material" means a fertilizer which either:

(a) Contains important quantities of no more than one (1) of the primary plant nutrients: nitrogen (N), phosphorus (P) and potassium (K); or

(b) Has eighty-five percent (85%) or more of its plant nutrient content present in the form of a single chemical compound; or

(c) Is derived from a plant or animal residue or by-product or natural material deposit which has been processed in such a way that its content of plant nutrients has not been materially changed except by purification and concentration.

(3) "Mixed fertilizer" means a fertilizer containing any combination or mixture of fertilizer materials.

(4) "Specialty fertilizer" means a fertilizer distributed for non-farm use.

(5) "Bulk fertilizer" means a fertilizer distributed in a non-packaged form.

(6) "Brand" means a term, design, or trademark used in connection with one (1) or several grades of fertilizer but shall not include any numeral.

(7) "Guaranteed analysis" means, until the director prescribes the alternative form of "guaranteed analysis" in accordance with the provisions of this subsection, the minimum percentage of plant nutrients claimed in the following order and form:

Total nitrogen (N) -----percent
Available phosphoric acid (P205) -----percent
Soluble potash (K20) -----percent

For unacidulated mineral phosphatic material and basic slag, bone, tankage and other organic phosphatic materials, the total phosphoric acid or degree of fineness may also be guaranteed. Guarantees for plant nutrients other than nitrogen, phosphorus and potassium may be permitted or required by regulation by the director. The guarantees for such other nutrients shall be expressed in the form of the element. The source, e.g. oxides, salts, chelates, etc. of such other nutrients may be required to be stated on the application for registration and may be included on the label. Other beneficial substances or compounds, determinable by laboratory methods, also may be guaranteed by permission and advice of the director. When any plant nutrients or other substances or compounds are guaranteed, they shall be subject to inspection and analysis in accord with the methods and regulations prescribed by the director. When the director finds, after public hearing following due notice, that the requirement for expressing the guaranteed analysis of phosphorus and *potassium in elemental form would not impose an economic hardship on distributors and users of fertilizer by reason of conflicting labeling requirements among the states, he may require by regulation thereafter that the "guaranteed analysis" shall be in the following form:*

Total nitrogen (N)	*-----percent*
Available phosphorus (P)	*-----percent*
Soluble potassium (K)	*-----percent*

The effective date of said regulation shall be not less than six (6) months following the issuance thereof, except that the equivalent of phosphorus and potassium may also be shown in the form of available phosphoric acid and soluble potash for a period of two (2) years following the effective date of said regulation. After the effective date of said regulation total nitrogen, available phosphorus, and soluble potassium shall constitute the grade.

(8) "Grade" means the percentage of total nitrogen, available phosphorus or phosphoric acid, and soluble potassium or potash stated in whole numbers in the same terms, order, and percentages as in the guaranteed analysis; except specialty fertilizers may be guaranteed in fractional units of less than one (1) percent of total nitrogen, available phosphorus or phosphoric acid, and soluble potassium or potash and fertilizer materials, bone meal, manures, and similar materials may be guaranteed in fractional units.

(9) "Official sample" means any sample of fertilizer taken by the director and designated as "official" by the director.

(10) "Ton" means a net weight of two thousand (2,000) pounds avoirdupois.

(11) "Primary nutrient" means total nitrogen, available phosphoric acid or phosphorus, and soluble potash or potassium.

(12) "Percent" or "percentage" means the percentage by weight.

(13) "Person" means individual, partnership, association, firm or corporation.

(14) "Distribute" means to import, consign, manufacture, produce, compound, mix, or blend fertilizer, or to offer for sale, sell, barter or otherwise supply fertilizer in this state.

(15) "Distributor" means any person who distributes.

(16) "Registrant" means the person who registers fertilizer under the provisions of this Act.

(17) "Label" means the display of all written, printed, or graphic matter, upon the immediate container, or a statement accompanying a fertilizer.

(18) "Labeling" means all written, printed, or graphic matter, upon or accompanying any fertilizer, or verbal statements, advertisements, brochures, posters, television or radio announcements used in promoting the sale of such fertilizer.

(19) "Investigational allowance" means an allowance for variations inherent in the taking, preparation and analysis of an official sample of fertilizer.

(20) "Manufacturer" means any person engaged in the business of preparing, mixing, or manufacturing fertilizers or the person whose name appears on the label as being responsible for the guarantee.

(21) "Manufacturing" means preparing, mixing, or combining fertilizer materials chemically or physically, including the mixing through the simultaneous application of two (2) or more fertilizer materials, by a manufacturer or contract applicator.

(22) "Lot" means an identifiable quantity of fertilizer that can be sampled according to association of official analytical chemists procedures, such as, the amount contained in a single vehicle, or the amount delivered under a single invoice, and, in the case of bagged fertilizer, not more than twenty-five (25) tons.

SECTION 3. A NEW SECTION OF KRS CHAPTER 250 IS CREATED TO READ AS FOLLOWS:

(1) Each brand and grade of fertilizer shall be registered in the name of that person whose name appears upon the label before being distributed in this state. The application for registration shall be submitted to the director on a form furnished by the director. For specialty fertilizers a registration fee of fifty dollars ($50) per each grade of each brand shall accompany the registration application. Upon approval by the director, a copy of the registration shall be furnished to the applicant. All registrations expire on December 31 of each year. The application shall include the following information:

(a) The net weight of packages;
(b) The brand and grade;
(c) The guaranteed analysis; and
(d) The name and address of the registrant.

(2) A distributor shall not be required to register any fertilizer which is already registered under this Act by another person, providing the label does not differ in any respect.

(3) A distributor shall not be required to register each grade of fertilizer formulated according to specifications which are furnished by a consumer prior to mixing, but shall be required to register his firm on a form furnished by the director and to label such fertilizer as provided in subsection (2) of Section 4 of this Act.

SECTION 4. A NEW SECTION OF KRS CHAPTER 250 IS CREATED TO READ AS

FOLLOWS:

(1) Any fertilizer distributed in this state in containers shall have placed on or affixed to the container a label setting forth in clearly legible and conspicuous form the following information:

(a) Net weight;

(b) Brand and grade, except that the grade shall not be required when no primary nutrients are claimed;

(c) Guaranteed analysis;

(d) Name and address of the registrant.

In case of bulk shipments, this information in written or printed form shall accompany each delivery and be supplied to the purchaser at time of delivery.

(2) A fertilizer formulated according to specifications which are furnished by or for a consumer prior to mixing shall be labeled to show the net weight, the guaranteed analysis or the guaranteed analysis and net weight of each material used in the formulation or both, and the name and address of the registrant and the consumer.

SECTION 5. A NEW SECTION OF KRS CHAPTER 250 IS CREATED TO READ AS FOLLOWS:

(1) There shall be paid to the Kentucky agricultural experiment station for all fertilizers distributed in this state to non-registrants an inspection fee at the rate of fifty cents (50) per ton; except sales or exchanges between importers, manufacturers, distributors or registrants are hereby exempted.

(2) Every registrant who distributes fertilizer in the state shall file on forms approved by the director a monthly, quarterly, or semi-annual statement for the reporting period setting forth the number of net tons of each grade of fertilizer so distributed in this state during such period. The report shall be due on or before twenty (20) days following the close of the filing period and upon such statement shall pay the inspection fee at the rate stated in subsection (1) of this section. If the tonnage report is not filed and the payment of inspection fees is not made within thirty (30) days after the due date, a collection fee, amounting to ten percent (10%), with a minimum of fifty dollars ($50), of the amount due shall be assessed against the registrant and added to the amount due.

(3) When more than one (1) person is involved in the distribution of a fertilizer, the last person who has the fertilizer registered and who distributed to a non-registrant dealer or consumer is responsible for reporting the tonnage and paying the inspection fee, unless the report and payment is made by a prior distributor of the fertilizer.

(4) On individual packages of fertilizer containing ten (10) pounds or less there shall be paid, in lieu of the inspection fee of fifty cents (50) per ton required by subsection (1) of this section and the tonnage report required by Section 6 of this Act, an annual inspection fee of fifty dollars ($50) for each grade of each brand sold or distributed. Where a person distributes fertilizer in packages of ten (10) pounds or less and in packages over ten (10) pounds, the annual fee shall apply only to that portion distributed in packages of ten 910) pounds or less.

(5) Fees so collected shall be used for the payment of the costs of inspection, sampling and analysis, and other expenses necessary for the administration of this Act.

SECTION 6. A NEW SECTION OF KRS CHAPTER 250 IS CREATED TO READ AS FOLLOWS:

(1) The person distributing or selling fertilizer to a non-registrant shall furnish to the director a report showing the county of the consignee, the amounts in tons of each grade of fertilizer, the form in which the fertilizer was distributed, e.g. bags, bulk, liquid, etc., and whether the fertilizer was for farm or non-farm use. This information shall be reported by submitting a summary report approved by the director on or before the twentieth day of each month covering shipments made during the preceding month.

(2) No information furnished to the director under this section shall be disclosed in such a way as to divulge the operation of any person.

SECTION 7. A NEW SECTION OF KRS CHAPTER 250 IS CREATED TO READ AS FOLLOWS:

(1) It shall be the duty of the director to sample, inspect, make analyses of, and test fertilizers distributed within this state at any time and place and to such an extent he may deem necessary to determine whether such fertilizers are in compliance with the provisions of this act. The director is authorized to enter upon any public or private premises or carriers during regular business hours in order to have access to fertilizer subject to the provisions of this Act and the regulations pertaining thereto, and to the records relating to their distribution.

(2) The methods of sampling and analysis shall be those adopted by the association of official analytical chemists (AOAC). In cases not covered by such methods, or in cases where methods are available in which improved applicability has been demonstrated, the director may adopt such appropriate methods from other sources.

(3) The director, in determining for administrative purposes whether any fertilizer is deficient in plant food, shall be guided solely by the official sample as defined in subsection (9) of Section 2 of this Act,

and obtained and analyzed as provided for in subsection (2) of this section.

(4) The results of official analysis of fertilizers and portions of official samples shall be distributed by the director as provided by regulation and in Section 12 of this Act. Official samples establishing a penalty for nutrient deficiency shall be retained for a minimum of ninety (90) days from issuance of a deficiency report.

SECTION 8. A NEW SECTION OF KRS CHAPTER 250 IS CREATED TO READ AS FOLLOWS:

(1) If the analysis shall show that a fertilizer is deficient in one (1) or more of its guaranteed primary plant nutrients beyond the investigational allowances as established by regulation, or if the overall index value of the fertilizer is below the level established by regulation, a penalty payment shall be assessed and paid as established by regulation.

(2) Deficiencies beyond the investigational allowances as established by regulation in constituents other than total nitrogen (N), available phosphoric acid (P205), or soluble potash (K20), which the registrant is required to or may guarantee, shall be evaluated and penalty payments assessed and paid as established by regulation.

(3) If, upon satisfactory evidence, a person is shown to have altered the content of a fertilizer shipped to him by a registrant or to have mixed or comingled fertilizer from two (2) or more suppliers so that the result of either alteration changes the analysis of the fertilizer as originally guaranteed, then that person shall become responsible for obtaining a registration and shall be held liable for all penalty payments and be subject to other provisions of this Act, including seizure, condemnation and stop sale.

(4) Nothing contained in this section shall prevent any person from appealing to a court of competent jurisdiction praying for judgment as to the justification of such penalty payments.

SECTION 9. A NEW SECTION OF KRS CHAPTER 250 IS CREATED TO READ AS FOLLOWS:

For the purpose of determining the commercial value to be applied under the provisions of Section 8 of this Act, the director shall determine and publish annually the values per unit of nitrogen, available phosphoric acid, and soluble potash in fertilizers in this state. If guarantees are as provided in subsection (7) of Section 2 of this Act, the values shall be per unit of nitrogen, phosphorus and potassium. The values so determined and published shall be used in determining and assessing penalty payments.

SECTION 10. A NEW SECTION OF KRS CHAPTER 250 IS CREATED TO READ AS FOLLOWS:

No person shall distribute misbranded fertilizer. A fertilizer shall be deemed to be misbranded:

(1) If its labeling is false or misleading in any particular;

(2) If it is distributed under the name of another fertilizer product;

(3) If it is not labeled as required in Section 4 of this Act and in accordance with regulations prescribed under this Act; or

(4) If it purports to be or is represented as a fertilizer, or is represented as containing a plant nutrient or fertilizer, unless such plant nutrient or fertilizer conforms to the definition of identity, if any, prescribed by regulation of the director; in adopting such regulations the director shall give due regard to commonly accepted definitions and official fertilizer terms such as those issued by the association of american plant food control officials.

SECTION 11. A NEW SECTION OF KRS CHAPTER 250 IS CREATED TO READ AS FOLLOWS:

No person shall distribute an adulterated fertilizer product. A fertilizer shall be deemed to be adulterated:

(1) If it contains any deleterious or harmful ingredient in sufficient amount ot render it injurious to beneficial plant life when applied in accordance with directions for use on the label, or if adequate warning statements or directions for use which may be necessary to protect plant life are not shown upon the label;

(2) If it contains unwanted crop seed or weed seed; or

(3) If its composition falls below or differs from that which it is purported to possess by its labeling.

SECTION 12. A NEW SECTION OF KRS CHAPTER 250 IS CREATED TO READ AS FOLLOWS:

The director shall publish, at least annually, and in such forms as he may deem proper, information concerning the distribution of fertilizers and results of analyses based on official samples of fertilizer distributed within the state as compared with analyses guaranteed under Section 3 and Section 4 of this Act.

SECTION 13. A NEW SECTION OF KRS CHAPTER 250 IS CREATED TO READ AS FOLLOWS:

The director shall enforce the provisions of this Act and make and enforce such regulations as may be necessary to carry into effect the full intent and meaning of this Act.

SECTION 14. A NEW SECTION OF KRS CHAPTER 250 IS CREATED TO READ AS FOLLOWS:

It shall be unlawful to make, in any manner whatsoever, any false or deceptive statement or representation in regard to any fertilizer offered for sale, sold, or distributed in this state, or to use any *misleading or deceptive trademark or brand name in connection therewith.*

SECTION 15. A NEW SECTION OF KRS CHAPTER 250 IS CREATED TO READ AS FOLLOWS:

The director is authorized and empowered to cancel the registration of any brand of fertilizer or distributor or to refuse to register any brand of fertilizer or distributor as herein provided, upon satisfactory evidence that the registrant has used fraudulent or deceptive practices in the evasion or attempted evasion of the provisions of this Act or any regulations promulgated thereunder, except no registration shall be revoked or refused until the person (registrant) shall have been given the opportunity to appear for a hearing by the director.

SECTION 16. A NEW SECTION OF KRS CHAPTER 250 IS CREATED TO READ AS FOLLOWS:

The director may issue and enforce a written or printed "stop sale, use, or removal" order to the owner or custodian of any lot of fertilizer and to hold it at a designated place, when the director finds said fertilizer is being offered or exposed for sale in violation of any of the provisions of this Act, until the law has been complied with and said fertilizer is released in writing by the director, or said violation has been otherwise legally disposed of by written authority. The director shall release the fertilizer so withdrawn when the requirements of the provisions of this Act have been complied with and all costs and expenses incurred in connection with the withdrawal have been paid.

SECTION 17. A NEW SECTION OF KRS CHAPTER 250 IS CREATED TO READ AS FOLLOWS:

Any lot of fertilizer not in compliance with the provisions of this Act shall be subject to seizure on complaint of the director to a court of competent jurisdiction in the area in which said fertilizer is located. In the event the court finds the said fertilizer to be in violation of this Act and orders the condemnation of said fertilizer, it shall be disposed of in any manner consistent with the quality of the fertilizer and the laws of the state, except in no instance shall the disposition of said fertilizer be ordered by the court without first giving the claimant an opportunity to apply to the court for release of said fertilizer or for permission to reprocess or relabel said fertilizer to bring it into compliance with this Act.

SECTION 18. A NEW SECTION OF KRS CHAPTER 250 IS CREATED TO READ AS FOLLOWS:

(1) If it shall appear from the examination of any fertilizer that any of the provisions of this Act or regulations issued thereunder have been violated, the director shall cause notice of the violations to be given to the registrant, distributor, or processor from whom said sample was taken; any person so notified shall be given opportunity to be heard under such regulations as may be prescribed by the director. If it appears after such hearing, either in the presence or absence of the person so notified, that any of the provisions of this Act or regulations issued thereunder have been violated, the director may certify the facts to the proper prosecuting attorney.

(2) Any person convicted of violating any provision of this Act or the regulations issued thereunder shall be punished in the discretion of the court.

(3) Nothing in this Act shall be construed as requiring the director to report for prosecution or for the institution of seizure proceedings minor violations of the Act, when he believes that the public interests will be best served by a suitable notice of warning in writing.

(4) It shall be the duty of the attorney general or appropriate county attorney to whom any violations are reported to cause appropriate proceedings to be instituted and prosecuted in a court of competent jurisdiction without delay.

(5) The director is hereby authorized to apply for, and the court to grant, a temporary or permanent injunction restraining any person from violating or continuing to violate any of the provisions of this Act or any regulation promulgated under this Act, notwithstanding the existence of other remedies at law. The injunction is to be issued without bond.

SECTION 19. A NEW SECTION OF KRS CHAPTER 250 IS CREATED TO READ AS FOLLOWS:

Nothing in this Act shall be construed to restrict or avoid sales or exchanges of fertilizers to each other by distributors who mix fertilizer materials for sale, or as preventing the free and unrestricted shipments of fertilizer to distributors who have registered their brands as required by provisions of this Act.

Section 20. KRS 250.990 is amended to read as follows:

(1) Any person who violates any of the provisions of KRS 250.020 to 250.170 shall be fined not less than twenty-five dollars ($25), nor more than one hundred dollars ($100).

(2) Any person who violates any of the provisions of KRS 250.180 to 250.230 *or the provisions of this Act*[~~, 250.360 or subsection (2) of KRS 250.380~~] shall be fined not less than one hundred dollars ($100), nor more than five hundred dollars ($500).

(3) Any person convicted of violating any of the provisions of KRS 250.491 to 250.631 or who shall impede, hinder, or otherwise prevent, or attempt to prevent, said director or his duly authorized agent in performance of his duty in connection with the provisions of KRS 250.491 to 250.631, shall be adjudged

guilty of a misdemeanor and shall be fined not less than twenty-five dollars ($25) nor more than one hundred dollars ($100) for the first violation, and not less than fifty dollars ($50) nor more than five hundred dollars ($500) for a subsequent violation.

(4) Any person who violates subsection (5) of KRS 250.601 shall be guilty of a misdemeanor and shall on conviction thereof be fined not less than two hundred and fifty dollars ($250) or imprisoned for not more than one (1) year, or both.

Section 21. The following KRS sections are repealed:

250.360 Sales in violation of KRS 250.360 to 250.480 prohibited.
250.370 Commercial fertilizer to be labeled.
250.380 Label guarantees -- Not to be used fraudulently -- Civil liability.
250.390 Seller to furnish director with affidavit concerning fertilizer.
250.400 Director to permit sales of labeled fertilizer.
250.410 Fees for sales or importations of fertilizer -- Reports -- Payment.
250.420 Director to refuse registration if fertilizer thought worthless.
250.430 Director may sample fertilizer.
250.440 Purchaser of fertilizer may have analysis made.
250.450 Director to analyze every fertilizer annually -- Results to be published.
250.460 Director may require fertilizer manufacturers to notify him of shipments into state.
250.470 Director to report biennially to commissioner.
250.480 Director to enforce KRS 250.360 to 250.480 and make regulations.

Section 22. This Act shall be known as the "Kentucky Fertilizer Law of 1984."

SB 327, AN ACT relating to utility tariff classification.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 139.470 is amended to read as follows:

There are excluded from the computation of the amount of taxes imposed by this chapter:

(1) Gross receipts from the sale of, and the storage, use or other consumption in this state of, tangible personal property the gross receipts from the sale of which, or the storage use or other consumption of which, this state is prohibited from taxing under the Constitution or laws of the United States, or under the Constitution of this state;

(2) Gross receipts from sales of, and the storage, use or other consumption in this state of:

(a) Nonreturnable and returnable containers when sold without the contents to persons who place the contents in the container and sell the contents together with the container;

(b) Returnable containers when sold with the contents in connection with a retail sale of the contents or when resold for refilling;

As used in this section the term "returnable containers" means containers of a kind customarily returned by the buyer of the contents for reuse. All other containers are "nonreturnable containers";

(3) Gross receipts from the sale of, and the storage, use or other consumption in this state of, tangible personal property used for the performance of a lump sum, fixed fee contract of public works executed prior to February 5, 1960;

(4) Gross receipts from occasional sales of tangible personal property and the storage, use or other consumption in this state of tangible personal property, the transfer of which to the purchaser is an occasional sale;

(5) Gross receipts from sales of tangible personal property to a common carrier, shipped by the seller via the purchasing carrier under a bill of lading, whether the freight is paid in advance or the shipment is made freight charges collect, to a point outside this state and the property is actually transported to the out-of-state destination for use by the carrier in the conduct of its business as a common carrier;

(6) Gross receipts from sales of tangible personal property made in one cent (1) portions through vending machines;

(7) Gross receipts from sales to any cabinet, department, bureau, commission, board, or other statutory or constitutional agency of the state and gross receipts from sales to counties, cities or special districts as defined in KRS 65.005. This exemption applies only to purchases of property or services for use solely in the government function. A purchaser not qualifying as a governmental agency or unit is not entitled to the exemption even though such purchaser may be the recipient of public funds or grants;

(8) (a) Gross receipts from the sale of sewer services, water and fuel to Kentucky residents for use in heating, water heating, cooking, lighting, and other residential uses. As used in this subsection, "fuel" shall include, but not be limited to, natural gas, electricity, fuel oil, bottled gas, coal, coke and wood. Determinations of eligibility for the exemption shall be made by the department of revenue.

(b) In making such determinations of eligibility, the department *shall exempt from taxation all gross receipts derived from sales classified as "residential" customers by a utility company as defined by applicable tariffs filed with and approved by the public service commission* [~~may use a utility company's classification of "residential" customers. Where the service is classified as residential, use other than for "residential" purposes by the customer will not negate the exemption~~].

(c) The exemption does not apply where charges for sewer service, water and fuel are billed to an owner or operator of a multi-unit residential rental facility or mobile home and recreational vehicle park other than residential classification.

(d) The exemption applies also to residential property which may be held by legal or equitable title, by the entireties, jointly, in common, as a condominium, or indirectly by the stock ownership or membership representing the owner's or member's proprietary interest in a corporation owning a fee or a leasehold initially in excess of ninety-eight (98) years.

(9) Any rate increase for school taxes and any other charges or surcharges added to the total amount of a residential telephone bill.

The Committee on Cities reported **HB 768, HB 874, HB 883, SB 87, SB 210, SB 232** with Committee Amendment attached thereto, **SB 249,** and **SB 277** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 768, AN ACT changing the classification of the City of Pioneer Village in Bullitt County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Pioneer Village, in Bullitt County, is such as to justify its being classified as a city of the fifth class.

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The City of Pioneer Village, in Bullitt County, is transferred from the sixth to the fifth class of cities.

HB 874, AN ACT relating to the reclassification of cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) Any bill proposing the reclassification of an incorporated area presented to the general assembly shall be accompanied by a document stating the population of said city according to the most recent data gathered by the United States bureau of census.

(2) The classification of any city may be challenged by any resident of such city, in the circuit court of the county in which the city is located, as not meeting the population standards set forth by Section 156 of the Constitution of the Commonwealth of Kentucky.

HB 883, AN ACT changing the classification of the City of Barbourmeade in Jefferson County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Barbourmeade, in Jefferson County, is such as to justify its being classified as a city of the fifth class.

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The City of Barbourmeade, in Jefferson County, is transferred from the sixth to the fifth class of cities.

SB 87, AN ACT relating to planning.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 100.133 is amended to read as follows:

(1) Before a planning unit may engage in planning operations, a planning commission shall be appointed for the unit in conformance with an adopted regulation or agreement.

(2) A planning commission shall consist of at least five (5), but not more than *twenty (20)* [~~fifteen (15)~~] members. The governor shall have the privilege of appointing a member to the commission to which the capital city belongs in addition to the number of members specified for that planning commission. Where extraterritorial jurisdiction is exercised for subdivision regulations or other regulations, the county judge/executive of each affected county may appoint a member to the planning commission of the planning unit exercising such jurisdiction in addition to the number of members specified for that planning commission. At least two-thirds (2/3) of the members of every planning commission shall be citizen members. A regional planning commission shall include at least one (1) citizen member from each joint planning unit who is also a member of the joint planning commission. If one (1) city only joins with one (1) county, then each shall have equal representation. Whenever this chapter requires a city without its consent to belong to a joint planning unit, then KRS 100.137 shall apply.

SB 210, AN ACT changing the classification of the City of Prospect in Jefferson County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Prospect, in Jefferson County, is such as to justify its being classified as a city of the fourth class.

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The City of Prospect, in Jefferson County, is transferred from the fifth to the fourth class of cities.

SB 232, AN ACT relating to legal notices concerning financial statements.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 424.220 is amended to read as follows:

(1) Excepting officers of a city of the first class, a county containing such a city, a public agency of such a city or county, or a joint agency of such a city and county, or of a school district of such a city or county, and excepting officers of a city of the second class or an urban county government, every public officer of any school district, city, county, or subdivision or district less than a county, whose duty it is to collect, receive, have the custody, control or disbursement of public funds, and every officer of any board or commission of a city, county or district whose duty it is to collect, receive, have the custody, control or disbursement of funds collected from the public in the form of rates, charges or assessments for services or benefits, shall at the expiration of each fiscal year prepare an itemized, sworn statement of the funds collected, received, held or disbursed by him during the fiscal year just closed, unless he has complied with KRS 424.230. The statement shall show in the aggregate by source, the amount of funds collected and received, and in the aggregate by payee, the amounts disbursed, or the amount of funds collected and received, from what sources received, the amount disbursed, the date of each disbursement, for what purpose expended, and to whom paid, except that only the totals of amounts paid to each individual as salary or commission and public utility bills need to be shown and except that the amount of salaries paid to all teachers shall be shown as a lump sum instructional expenditure for the school district and not by amount paid to individual teachers and the amount of salaries paid to all other employes of the board shall be shown as lump sum expenditures by category, including, but not limited to, administrative, maintenance, transportation, and food service; however the local board of education must have accessible a factual list of individual salaries for public scrutiny and the local board shall furnish by mail a factual list of individual salaries of its employes to a newspaper qualified under KRS 424.120 to publish advertisements for the district, which newspaper may then publish as a news item the individual salaries of school employes. The officer shall procure and include in or attach to the statement as a part thereof a certificate from the cashier or other proper officer of the banks in which the funds are or have been deposited during the past year, showing the balance, if any, of funds to the credit of the officer making the statement. The officer shall, except in a city electing to publish its audit in lieu

of the financial statement pursuant to KRS 91A.040(6), within sixty (60) days after the close of the fiscal year, cause the statement to be published in full in a newspaper qualified under KRS 424.120 to publish advertisements for the city, county or district, as the case may be. Promptly after the publication is made, the officer shall file a written or printed copy of the advertisement with proof of publication, in the office of the county clerk of the county. Within thirty (30) days after publication, the officer shall file with the auditor of public accounts a copy of the newspaper containing the statement.

(2) In lieu of the publication requirements of subsection (1) of this section, the appropriate officer of any municipally owned electric, gas or water system may elect to satisfy the requirements of subsection (1) of this section by:

(a) Filing with the office of the city clerk or city manager a copy of a certified audit prepared by a certified public accountant, performed in accord with generally accepted principals of accounting, for the fiscal year;

(b) Publishing, once each week for at least three (3) consecutive weeks, a notice in a newspaper qualified under KRS 424.120 to publish advertisements for the district, that such audit has been filed and will be available for inspection at the offices of the utility; and

(c) Making such audit available for inspection on request of anyone during normal working hours of the utility.

The Committee Amendment No. 1 to **SB 232** is as follows:

Amend printed copy of **SB 232** on page 3, line 21, delete the new language beginning with the word "*Filing*" and ending with the word "*prepared*" on line 22 and insert thereof the following: "*Preparation of a certified audit*";

and on page 3, delete paragraph (b) of subsection (2) beginning on line 26 with the word "*Publishing*" and continuing through page 4, line 4, and insert in lieu thereof the following:

"*Publishing in a newspaper qualified under KRS 424.120 to publish advertisements for the city, county or district as the case may be,. the statement of revenue and expenditures from such audit, together with the statement that the audit report is available for inspection at the offices of the utility; and*"

SB 249, AN ACT relating to pensions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 95.859 is amended to read as follows:

The rate of retirement annuity shall be two and one-half percent (2 1/2%) of average salary, as defined in KRS 95.851(13), for each year of total service up to and including thirty (30) years, subject to a maximum of seventy-five percent (75%) of average salary. Fractional periods of service shall be considered in the calculation of such annuities according to the aforesaid rate. Provided, however, that *any member who retired prior to June 21, 1974 shall receive an increase of ten dollars ($10) per month for each year or part thereof of retirement prior to June 21, 1974, with a maximum increase of one hundred and seventy dollars ($170) per month. No surviving widow of a retiree shall receive a pension of less than one hundred and fifty dollars ($150) per month. When* [~~no retiree, or his surviving widow, whether he retired before or after June 16, 1972, under this section shall receive a pension of less than one hundred dollars ($100) a month and when~~] social security benefits are increased the *surviving widows'* minimum shall be increased by a like *percentage* [~~amount~~], provided that the *pension* increase shall not exceed five percent (5%). Within six (6) months after the performance of the actuarial study required by KRS 95.872(6), the rate of retirement annuity of each annuitant who becomes an annuitant after the effective date hereof shall be increased by an amount determined by the said study to reflect so much of the increase in the cost of living of such annuitant from the beginning of his annuity as may be supported on an actuarially sound basis by the fund, so long as the same is published, such studies shall rely on the "All Items Index" of the United States Department of Labor's Consumer Price Indexes, but no increase in the cost of living shall exceed two percent (2%) over the base index year in any year of the fund, provided, however, such increases shall be payable only after the member has attained the age of sixty (60) years or has been retired for a period of three (3) full years, whichever is later, and all such increases shall not be compounded.

Section 2. KRS 95.860 is amended to read as follows:

(1) Upon death of a member due to occupational causes, regardless of length of service, his surviving widow shall be entitled immediately upon cessation of salary to an annuity equal to fifty percent (50%) of the member's last rate of salary. This annuity shall be payable until she dies or remarries. *No surviving widow*

shall receive an annuity of less than one hundred and fifty dollars ($150) per month. When social security benefits are increased the minimum shall be increased by a like percentage, provided the increase shall not exceed five percent (5%). In addition, if minor children, under age eighteen (18), survive the member, the widow shall receive on account of each child, ten percent (10%) of the member's last rate of salary until each child attains age eighteen (18). The combined payments to a widow and minor children shall not exceed seventy-five percent (75%) of his final rate of salary.

(2) If a widow does not survive the member, or if she remarries, and minor children under age eighteen (18) exist, each child shall be entitled to an annuity equal to fifteen percent (15%) of the member's last rate of salary until each child attains age eighteen (18), provided that the combined payments to such children shall not exceed fifty percent (50%) of the member's last rate of salary.

(3) If neither a widow nor minor children, eligible for benefits survive the member, each dependent parent shall be entitled to an annuity equal to twenty-five percent (25%) of the member's last rate of salary, or fifty percent (50%) to both parents.

(4) If a widow would receive from a combination of: (a) survivor benefits pursuant to this section, excluding benefits for minor children, and (b) workmen's compensation benefits, excluding dependent children's allowances or payments for medical expenses or legal fees related to the workmen's compensation claim, an amount greater than one hundred percent (100%) of the deceased member's last rate of salary, then the pension system survivor benefits shall be reduced to the point that the combined payments equal one hundred percent (100%) of the last rate of salary. The survivor benefit shall not be reduced, however, below an amount equal to two and one-half percent (2 1/2%) of average salary for each year of the deceased member's service. Any reduction in the survivor payment shall be based upon workmen's compensation benefits applicable at the time the survivor payment is granted, and not upon subsequent increases in either benefit. If workmen's compensation benefits are reduced at a subsequent time, the surviving spouse shall inform the board, and the board shall increase the survivor's benefit by the amount of the reductions, but not by more than an amount which would increase the survivor's benefit to fifty percent (50%) of last rate of salary. The board of trustees may pay estimated benefits to a surviving spouse, upon qualification for the benefits, based upon an estimate of workmen's compensation benefits until such amounts are actually determined, at which time a final calculation of the spouse's actual benefits shall be determined and the account corrected retroactive to the effective date of the survivor benefit. If workmen's compensation benefits are paid in lump sums, the board shall reduce the survivor benefit on a monthly rather than a lump sum basis. The amount of the monthly reduction shall be based upon the life expectancy of the survivor. The board may request the assistance of the general manager of Kentucky retirement systems to calculate the reduction in survivor benefits when lump sum payments are involved, and the general manager shall provide such assistance upon request.

Section 3. KRS 95.861 is amended to read as follows:

(1) Upon death of a member occurring while in service, arising from any cause other than in the performance of duty, provided the member has had at least three (3) years of total service, his widow shall receive an annuity equal to one and one-half percent (1 1/2%) of average salary for each year of total service, credited to the member, subject to a maximum payment to the widow of fifty percent (50%). *If the member has had at least ten (10) years of total service, the widow shall receive an annuity of no less than one hundred and fifty dollars ($150) per month, and when social security benefits are increased the minimum shall be increased by a like percentage, but the increase shall not exceed five percent (5%). Payment of the annuity shall be* [~~and~~] subject to the following conditions:

(a) The widow had been married to the member at least one (1) year prior to his death;

(b) The widow is at least forty-five (45) years of age, otherwise payment will be deferred until she attains such age, except that if she is or becomes totally disabled before age forty-five (45), or has a minor child or children by the member in her care under age eighteen (18), (including adopted children provided the proceedings for adoption were initiated at least one (1) year prior to death of member) payment of the widow's annuity will begin immediately together with an additional allowance on account of the child or children;

(c) The widow's annuity will terminate in any event when the widow remarries. The annuity of each child or children shall continue until each child attains age eighteen (18).

(2) If the widow has minor children under age of eighteen (18), the annuity to the widow shall be increased one-half (1/2) on account of the first child and one-fourth (1/4) on account of each additional child, subject to a maximum combined payment to the widow and children of seventy-five percent (75%) of the average salary as defined in KRS 95.851(13).

(3) If the pensioner is not survived by a widow and there are minor children the following benefits shall be paid: (a) one (1) minor child, fifty percent (50%), (b) two (2) minor children, fifteen percent (15%) additional, (c) three (3) or more minor children, ten percent (10%) additional, subject to a maximum combined payment of seventy-five percent (75%) of the average salary as defined in KRS 95.851(13). The annuity of each child or children shall continue until each child attains age eighteen (18), or, in the case of a child regularly employed in full-time educational activities the age of twenty-three (23). The annuity payments

shall be reduced in reverse order.

(4) These benefits shall also be payable upon death of the member while on retirement, provided marriage was in effect for at least one (1) year before retirement.

Section 4. KRS 95.862 is amended to read as follows:

(1) In the event a total and permanent occupational disability occurs, the member shall receive an annuity equal to seventy percent (70%) of his last rate of salary. This benefit shall begin at such time as his salary may cease, and shall be paid during his entire lifetime. *Any member who retired prior to June 21, 1974 shall receive an increase of ten dollars ($10) per month for each year or part thereof of retirement prior to June 21, 1974, with a maximum increase of one hundred and seventy dollars ($170) per month.* Upon his death, his eligible widow and minor children, if any, shall receive the benefits as provided under KRS 95.860.

(2) If the member retired for total and permanent occupational disability would receive from a combination of (a) pension disability payments pursuant to subsection (1) of this section, and (b) workmen's compensation payments, excluding spouse or dependent children's allowances or payments for medical expenses or legal fees related to the workmen's compensation claim, an amount greater than one hundred percent (100%) of his last rate of salary, then the pension system benefits shall be reduced to the point that the combined payments equal one hundred percent (100%) of the last rate of salary. The benefit shall not be reduced, however, below an amount equal to two and one-half percent (2 1/2%) of average salary for each year of the member's service. Any reduction in the payment shall be based upon workmen's compensation benefits applicable at the time the payment is granted, and not upon subsequent increases in either benefit. If workmen's compensation benefits are reduced at a subsequent time, the retiree shall inform the board, and the board shall increase the benefit by the amount of the reductions, but not by more than an amount which would increase the benefit to seventy percent (70%) of the last rate of salary. The board of trustees may pay estimated benefits to a retiree, upon qualification for the benefits, based upon an estimate of workmen's compensation benefits until such amounts are actually determined, at which time a final calculation of the actual benefits shall be determined and the account corrected retroactive to the effective date of the benefit. If workmen's compensation benefits are paid in lump sums, the board shall reduce the disability retirement annuity on a monthly rather than a lump sum basis. The amount of the monthly reduction shall be based upon the life expectancy of the retired member. The board may request the assistance of the general manager of Kentucky retirement systems to calculate the reduction in the retirement benefit when lump sum payments are involved, and the general manager shall provide such assistance upon request.

Section 5. KRS 95.863 is amended to read as follows:

(1) Upon total and permanent disability of a member as the result of any cause other than occupational disability, if a member shall have rendered at least ten (10) years of total service, he shall be entitled to a disability retirement annuity. The amount of such annuity shall be equal to two and one-half percent (2 1/2%) of average salary, as defined in KRS 95.851(13), for each full year of total service, subject to a minimum payment of twenty-five percent (25%) of such average salary, and a maximum payment of fifty percent (50%) of average salary. Payment of this annuity shall be made during disability of the member. *Any member who retired prior to June 21, 1974 shall receive an increase of ten dollars ($10) per month for each year or part thereof of retirement prior to June 21, 1974, with a maximum increase of one hundred and seventy dollars ($170) per month.* Upon death of the member, if an eligible widow or minor children survive, such survivors shall be entitled to the regular annuities provided under KRS 95.861.

(2) Any annuity for nonoccupational disability shall begin to accrue upon the expiration of ninety (90) days following the commencement of disability provided that if the member is receiving salary for sick leave for a period of more than ninety (90) days, payment shall accrue from the date such salary ceases. If written application for such annuity shall not have been filed with the board prior to the expiration of ninety (90) days from the date of disability, the annuity shall begin to accrue from the date the application shall be filed but not prior to the expiration of ninety (90) days from the date of disability, nor in any event prior to the time when salary payments to the employe shall have ceased.

Section 6. Any pension increases required by this Act shall begin on the date of the first monthly pension payment after the effective date of this Act.

SB 277, AN ACT relating to civil service.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 90.140 is amended to read as follows:

(1) The board shall employ a personnel director who shall be the administrative officer of the board. The personnel director shall be, at the time of appointment, a person familiar, and in sympathy, with the principles, and experienced in the methods and technique, of personnel administration on the merit basis and a person of recognized character and ability.

(2) Beginning January 1, 1973, the personnel director shall be appointed for a term of one (1) year and shall serve thereafter on a year to year basis unless notified in writing thirty (30) days before the year expires that he will not be reappointed; provided however that the personnel director may be removed at any time only for cause and after public hearing by the board and after at least ten (10) days' notice shall have been given to the said director, which notice shall contain a copy of the charges preferred against him, and the decision of the board thereon shall be final. At such hearing the personnel director may be represented by counsel.

(3) The personnel director shall be the secretary-treasurer of the board and shall attend all the meetings thereof; shall set up and direct the actual work of the board; supervise and direct the work of the employes thereof; make such investigations as may be deemed desirable and report thereon to the board. The personnel director shall submit to the board not later than the first day of November of each year an annual report on the operations of the board for the preceding fiscal year, and shall discharge all such other duties as the board may require.

(4) The board shall employ a chief examiner who shall be professionally qualified and experienced in the art of testing, and who shall formulate, give, grade, and retain control of, all written tests as required by the board, and said chief examiner shall report to the board the results of all tests given and he shall be solely responsible to the board. [~~The chief examiner shall compile the grades of all applicants and shall deliver said results, in sealed envelopes, to the chairman of the civil service board. The chief examiner shall not reveal to anyone the results of said tests other than in the manner set forth herein.~~] The job of personnel director may not be combined with the job of chief examiner. The chief examiner shall be responsible only to the civil service board and shall perform such other duties as the board may require.

(5) The director of finance of the city shall immediately certify to the personnel director the name of any person in the classified service added to or removed from the payroll.

Section 2. KRS 90.190 is amended to read as follows:

(1) Any suspension in excess of ten (10) days, dismissal or demotions of employes in positions subject to the provisions of KRS 90.110 to 90.230 may be made only by the appointing authority upon the filing of written statements of the reasons of such suspension in excess of ten (10) days, or dismissals or demotions with the board, provided that copies of all such statements shall be furnished to the employes so suspended, dismissed, or demoted, on or before the effective date of such suspension, dismissal, or demotion, provided further that employes holding probationary appointments may be dismissed without the appointing authority being required to furnish either the board or the suspended, or dismissed, or demoted employe with a written statement of the reasons for such suspension, dismissal, or demotion. Any employe who has been suspended in excess of ten (10) days, dismissed, or demoted holding a regular appointment, shall be entitled, upon written demand, to a public hearing by the board, at which time he shall have the right to introduce evidence in his own behalf, and to be represented by counsel.

(2) The board shall investigate and determine the justification for all suspensions in excess of ten (10) days, or dismissals, or demotions, reported, or complained of, according to the provisions of this section. The board shall keep an accurate record of its proceedings under this section, including evidence presented at any public hearing. The board's order and findings shall be final subject to the right of appeal as set out in subsections (3) *and (4)* [~~to (6)~~] of this section. Enforcement of the suspension, dismissal or demotion shall not be suspended pending any proceeding or appeal provided in this section. Copies of the order and findings of the board shall be immediately delivered to the mayor, appointing authority, and to the suspended, dismissed, or demoted employe.

(3) Within *thirty (30)* [~~twenty (20)~~] days after the order of the board has been entered under subsection (2) *of this section*, any employe, who has been aggrieved by the order of the board, or the mayor or the appointing authority may appeal to the circuit court in the county in which the city is located in the following manner*:*[~~.~~]

(a)[~~(4)~~] Upon request in writing by the person making the appeal, and the payment of costs therefor, the secretary of the board shall *provide* [~~file~~] a certified copy of the record and the findings of that body *to the appellant* [~~in the circuit court~~]. *The appeal shall be prosecuted by filing a complaint in circuit court and shall otherwise be in accordance with the rules of civil procedure.* Upon the record being filed *by the appellant*, the case shall be docketed in the circuit court and tried de novo.

(b)[~~(5)~~] If the secretary fails to *provide a certified copy of* [~~certify~~] the record to the *appellant* [~~circuit court~~] within *thirty (30)* [~~five~~] days after the request is made, then the aggrieved person may file an affidavit in that court setting out as fully as possible the charges, together with a copy of the board's findings and a statement that demand for the transcript had been made of the secretary more than *thirty (30)* [~~five (5)~~] days prior to the filing of the affidavit. Upon filing of this affidavit in the circuit court, the case shall be docketed in that court and the court may compel the filing of the transcript by the secretary by entering proper mandatory order, and upon failure of the secretary to do so, he shall be liable to fine and imprisonment for contempt. Such appeal shall have precedence over other business and be determined speedily.

(4)[~~(6)~~] An appeal will lie from the judgment of the circuit court to the Court of Appeals as in other cases, in any controversy arising under this section.

(5)[~~(7)~~] Nothing in KRS 90.110 to 90.230 shall permit the suspension, dismissal, or demotion of any employe subject to the provisions of KRS 90.110 to 90.230 on account of religious faith, race, color, creed, or political affiliation.

Section 3. KRS 90.210 is amended to read as follows:

The board, without additional compensation, shall perform, under and pursuant to the provisions of KRS 90.110 to 90.230, the same services and duties provided for herein, for any department, board or agency of such city or any joint board or joint agency of such city and such county, in which said city is located, if and when *by statute or* by action of the legislative governing body of the city, or the legislative governing bodies of the city and county or by action of the governing body of any independent agency, where appropriate, the personnel or part or parts thereof of such department, board or agency, or joint board or joint agency, is placed under the merit system, and is thereby subjected to the provisions of KRS 90.110 to 90.230 covering such offices, positions or classes of positions, or places of employment, in such agency, as the governing body of such agency may designate. *This section shall also apply to any department of state government, or unit of a department, transferred as a result of a decision or agreement made between the Commonwealth of Kentucky and the city or city and county or independent agency in a city, where appropriate, or a change in funding of a department or unit from state to local.* When the provisions hereof shall have been extended in the manner provided for in this section then all of the provisions of KRS 90.110 to 90.230 shall be applied to such offices, positions, and places of employment, in such departments, boards, agencies, and joint boards or joint agencies, the same as if originally included herein. The date of any extension of the provisions of KRS 90.110 to 90.230 to include additional offices, positions, or classes of positions, or places of employment, shall be considered as the effective date of those sections with respect thereto, and employes then holding such offices, positions, or places of employment, thereby made subject to the provisions of KRS 90.110 to 90.230, shall be considered as having satisfied all of the qualifications for obtaining original appointment under those sections, and shall be considered as having been given probationary appointments as defined in KRS 90.110, as of the date they are thus placed in the classified service hereunder. *However, the employes of any department, unit, board or agency to which the classified service is extended hereunder shall retain their seniority relative to other employes in the department, unit, board or agency for the purposes of KRS 90.110 to 90.230.*

The Committee on Judiciary-Criminal reported **HB 736, HB 917, HB 636** with Committee Amendment attached thereto, and **HB 688** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 736, AN ACT relating to criminal records.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 431 IS CREATED TO READ AS FOLLOWS:

(1) Any person who has committed a Class D felony and such felony:

(a) Was committed before the person reached the age of twenty-five (25) years; and

(b) Did not involve the use of a deadly weapon or dangerous instrument; and

(c) Did not involve the death or serious physical injury or physical injury or threat thereof to another person,

may apply to have his conviction purged from all public records in this Commonwealth if during the five (5) years after the completion of his sentence for the crime has not been convicted of a new offense.

(2) Applications shall be directed to the sentencing court and the court shall, if the conditions in subsection (1) of this section have been met, issue orders to the appropriate state and local agencies to purge the conviction from their records.

(3) When a conviction is purged from the records pursuant to this section, it shall, for all purposes in Kentucky (except those for which the Constitution may require otherwise) be deemed not to have occurred, and no person whose conviction has been purged shall have to list the conviction on any application or other form for any purpose, unless such is required by federal law.

(4) This section shall not apply to matters where there is a federal statute or regulation to the contrary.

(5) This section shall apply to a single felony offense only and shall not apply to multiple offenses or multiple convictions.

HB 917, AN ACT relating to prisons.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 197 IS CREATED TO READ AS FOLLOWS:

(1) As used in this section, unless the context otherwise requires:

(a) "Prisoner" means every person who is serving a criminal sentence under commitment to the state corrections cabinet;

(b) "Contraband" means any article or thing which a prisoner is prohibited from obtaining or possessing by departmental regulations or posted institutional rule or order;

(c) "Adjustment committee" means a board established by the corrections cabinet to hear evidence on and assess penalties for all disciplinary violations committed by prisoners.

(2) Any contraband made, obtained or possessed by a prisoner shall be seized and held as evidence pending a hearing before the adjustment committee.

(3) Except as provided for in KRS 500.090, a finding by the adjustment committee that the property seized is contraband shall result in the forfeiture of the property to the corrections cabinet.

(4) Any contraband forfeited under this section shall be disposed of in accordance with this section:

(a) Money shall be deposited in the cabinet's inmate canteen fund established by KRS 196.270;

(b) Drugs, drug paraphernalia, and alcohol shall either be destroyed or turned over to a law enforcement agency;

(c) Weapons shall either be destroyed or turned over to a law enforcement agency;

(d) All other contraband shall be disposed of in accordance with established policies.

HB 636, AN ACT relating to privileged communications between sexual assault counselors and sexual assault victims.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 421 IS CREATED TO READ AS FOLLOWS:

(1) As used in this section the following words and phrases shall have the meanings given to them in this subsection:

(a) "Rape crisis center." Any office, institution or center offering assistance to victims of sexual assault and their families through crisis intervention, medical and legal accompaniment and follow-up counseling.

(b) "Sexual assault counselor." A person who is engaged in any office, institution or center defined as a rape crisis center under this section, who has undergone forty(40) hours of training and is under the control of a direct services supervisor of a rape crisis center, whose primary purpose is the rendering of advice, counseling or assistance to victims of sexual assault.

(c) "Victim." A person who consults a sexual assault counselor for the purpose of securing advice, counseling or assistance concerning a mental, physical or emotional condition caused by a sexual assault.

(d) "Confidential communication." Information transmitted between a victim of sexual assault and a sexual assault counselor in the course of that relationship and in confidence by a means which, so far as the victim is aware, does not disclose the information to a third person other than those who are present to further the interests of the victim in the consultation or those to whom disclosure is reasonably necessary for the transmission of the information or an accomplishment of the purposes for which the sexual assault counselor is consulted. The term includes all information received by the sexual assault counselor in the course of that relationship.

(2) A sexual assault counselor has a privilege not to be examined as a witness in any civil or criminal proceeding without the prior written consent of the victim being counseled by the counselor as to any confidential communication made by the victim to the counselor or as to any advice, report or working paper given or made in the course of the consultation.

The Committee Amendment No. 1 to **HB 636** is as follows:

Amend printed copy of **HB 636** on page 2, below line 21 add the following:

"(3) It shall not be deemed a confidential communication if the victim admits to a sexual assault counselor that a sexual assault did not occur or that a particular person did not commit a sexual assault."

HB 688, AN ACT relating to the reporting of certain wounds.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 438 IS CREATED TO READ AS FOLLOWS:

(1) Every case of a bullet wound, gunshot wound, powder burn or any other injury arising from or caused by the discharge of a firearm, and every case of a wound which is likely to or may result in death and is actually or apparently inflicted by a knife, ice pick or other sharp or pointed instrument, shall be reported at once to the nearest law enforcement agency by the physician attending or treating the case; or the manager, superintendent or other person in charge, whenever such case is treated in a hospital, sanitarium, clinic or other institution, or by any emergency medical technician or paramedic who treats or transports a person suffering from such wound.

(2) Such report may be transmitted in writing, by telephone or by radio and shall state the name and residence of the injured person, if known, his location and the character and extent of such injuries.

(3) Any person, firm or corporation violating any provision of this section shall be guilty of a Class A misdemeanor.

The Committee Amendment No. 1 to **HB 688** is as follows:

Amend printed copy of **HB 688** on page 1, line 4 to delete "*powder burn*";

and on page 1, line 5, to delete "*, and every case of a wound*";

and on page 1, lines 6 and 7, to delete the same;

and on page 1, line 8, to delete "*sharp or pointed instrument,*".

The Committee on State Government reported **HB 134, HB 382, HB 464** with Committee Amendment attached thereto, **HB 525** with Committee Amendment attached thereto, **HB 622, HB 709** with Committee Amendment attached thereto, **HB 842** with Committee Amendments attached thereto, **HB 851, HB 925, HB 965, HCR 86, HCR 110** with Committee Amendment attached thereto, **HR 114, SB 256, HB 60** with Committee Substitute attached thereto, and **HB 864** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 134, AN ACT relating to determination of the Governor's inability to discharge the duties of his office and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 11 IS CREATED TO READ AS FOLLOWS:

(1) In the event of a controversy concerning whether or not the governor is "from any cause, unable to discharge the duties of his office" as provided in Section 84 of the Constitution of Kentucky, the Franklin circuit court shall have exclusive original jurisdiction to try the controversy.

(2) Standing to bring suit under subsection (1) of this section shall be limited to the governor, lieutenant governor, president pro tempore of the senate, the secretary of state or the attorney general. Each person in the line of succession to the governorship shall be a party to any such suit.

(3) In the event that process cannot personally be served upon the governor in a proceeding under this section, service may be effected by delivery of the document to the door of the governor's office and upon the secretary of state.

(4) The governor's failure or inability to appear in person in court or for the taking of a deposition shall be prima facie evidence that he is so disabled as to be unable to discharge the duties of his office.

Section 2. Whereas, no statutory procedure exists to facilitate the speedy determination of the Governor's inability to perform the duties of the office in the event of uncertainty or controversy concerning the matter, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

HB 382, AN ACT relating to covered wooden bridges.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 176.400 is amended to read as follows:

(1) Administrative control of covered wooden bridges designated as state shrines shall be shared by the transportation cabinet, the department of parks and the authorities created under KRS 176.410.

(2) The transportation cabinet shall maintain all covered wooden bridges in the Commonwealth which are on public roads and open to vehicular traffic. The department shall maintain the bridges for safety and for historical and aesthetic beauty. The cabinet shall prepare estimates of the cost of maintaining covered wooden bridges which are on public roads and open to vehicular traffic and shall identify and include the total of these estimates in its biennial budget request.

(3) The cabinet may delegate its responsibility for maintenance of covered bridges located on roads maintained by a county to the local government responsible for such roads. Delegation of responsibility for maintenance of covered bridges to a local government shall require periodic inspection by the department.

(4) Nothing in this section shall prevent an appropriate unit of government from closing a covered wooden bridge to vehicular traffic.

(5) The department of parks shall be responsible for all covered wooden bridges located in the Commonwealth which are on public property and no longer open to vehicular traffic. The department shall maintain these bridges in sound structural condition and for historical and aesthetic beauty. The department shall prepare estimates of the cost of maintaining covered wooden bridges for which it has a responsibility and shall identify and include the total of these estimates in its biennial budget request.

(6) When an appropriation is made to a covered wooden bridge authority created under the provisions of KRS 176.410, the department shall transfer the obligation of maintenance for the bridges designated in the appropriation to that authority.

(7) An authority may re-transfer [~~the right of possession or title and~~] the obligation of maintenance of covered bridges under its jurisdiction to the department of parks.

(8) The *department of parks* [~~heritage division~~] may determine that an authority is inactive or unable to discharge its responsibilities and may *place the* [~~transfer the right of title or possession to~~] covered bridges [~~under the jurisdiction~~] of the authority *under its jurisdiction* [~~to the department of parks~~]. The *department* [~~division~~] shall give notice of such an action to the authority and the *division* [~~department of parks~~].

Section 2. KRS 176.410 is amended to read as follows:

(1) Except as provided by KRS 176.400, at the request of citizens or organizations of a county or multi-county region, the heritage division shall certify to the governor the creation of a county or multi-county covered wooden bridge authority for that county or multi-county region.

(2) An authority shall consist of five (5) members to be appointed by the governor. The members of an authority shall hold office for terms of four (4) years and until their successors are appointed and qualify except that the terms of office of the members first appointed shall be as follows: two (2) members shall be nominated and appointed for two (2) years, and three (3) members shall be nominated and appointed for four (4) years. An authority may elect by majority voice officers deemed necessary by its members. A majority of the members shall constitute a quorum. An authority shall meet at the call of its chairman, but at least twice during each calendar year.

(3) An authority shall be dedicated to the preservation, restoration and maintenance of all covered wooden bridges not open to vehicular traffic in the county or multi-county region for which it is created. The duties and functions of an authority shall be to:

(a) Review, recommend and administer projects and programs to insure the proper preservation, restoration and maintenance of covered wooden bridges in the county or multi-county region for which it is created.

(b) Advise, consult and cooperate with state, local and national officials and agencies, and with the heritage division as provided by KRS 176.400and 176.410, to accomplish the purposes for which the authority is established.

(4) An authority may:

(a) Accept grants or other funds or property from any source, public or private;

(b) Enter into such contractual relationships as may be necessary;

(c) Acquire real property, by gift or devise or by purchase pursuant to the provisions of KRS 45.360, and hold the same in the name of the Commonwealth for the use and benefit of the authority;

(d) Adopt rules and regulations necessary to the performance of its duties and functions.

(5) Members of an authority may be reimbursed in accordance with the provisions of KRS Chapters 44 and 45 for actual and reasonable expenses incurred in the furtherance of the authority's activities.

(6) The receipt, control and expenditure of funds shall be subject to the general provisions of the Kentucky Revised Statutes governing financial administration of state agencies.

(7) Each authority shall develop a program for the preservation, restoration and maintenance of covered wooden bridges in the county or multi-county region for which it was established. It shall select the bridges to be preserved, restored or maintained within a biennium and shall prepare estimates of the cost of preservation, restoration or maintenance within that biennium.

(8) The program developed by an authority shall be submitted to the *department of parks for approval. It shall also be submitted to the heritage division for review. The heritage division shall forward its review to the department of parks* [~~heritage division~~]. Upon approval by the *department* [~~division~~], the *department* [~~authority~~] shall submit *the* [~~its~~] program as *part of* its biennial budget request.

(9) When an appropriation is made to *the department* [~~an authority~~] to fund *a* [~~its~~] program for the preservation, restoration and maintenance of covered wooden bridges, *the department of parks shall take the action required to enable the authority to implement its program* [~~title to all covered wooden bridges to be preserved, restored or maintained under its authority shall be transferred to the authority~~]. Preservation, restoration and maintenance of covered wooden bridges shall comply with the program approved by the *department* [~~division~~] and shall be administered by the authority. Each authority is authorized to enter into any agreement or contract necessary to implement an approved and funded program.

(10) There is established the covered wooden bridge authority for the counties of Bracken, Fleming, Lewis, Mason and Robertson as a pilot project.

HB 464, AN ACT relating to open records.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 61.874 is amended to read as follows:

(1) Upon inspection, the applicant shall have the right to make abstracts of the public records and memoranda thereof, and to obtain copies of all written public records. When copies are requested, the custodian may require a written request and advance payment of the prescribed fee. If the applicant desires copies of public records other than written records, the custodian of such records shall permit the applicant to duplicate such records, however, the custodian may ensure that such duplication will not damage or alter the records.

(2) The public agency may prescribe a reasonable fee for making copies of public records which shall not exceed *fifty cents (50) per page copied* [~~the actual cost thereof not including the cost of staff required~~].

The Committee Amendment No. 1 to **HB 464** is as follows:

Amend printed copy of **HB 464** on page 1, line 15, by deleting "*fifty cents (50)*" and inserting in lieu thereof "*twenty-five cents (25)*".

HB 525, AN ACT relating to the commission on fire protection personnel standards and education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 95A.020 is amended to read as follows:

(1) There is hereby created the commission on fire protection personnel standards and education, hereinafter called "commission" which shall be attached to the state fire marshal's office in the department of housing, buildings and construction.

(2) The commission shall be composed of *seventeen (17)* [~~fifteen (15)~~] members, residents of the state of Kentucky, appointed by the governor. Such members shall be persons well qualified by experience or education in the field of fire protection or related fields.

(3) The membership of the commission shall include:

(a) *Three (3)* [~~One (1)~~] volunteer *firemen* [~~fireman~~];

(b) Two (2) paid fire fighters;

(c) One (1) trustee of a volunteer fire department or fire district who is not a volunteer fireman;

(d) Two (2) fire chiefs of paid fire departments;

(e) One (1) licensed and practicing physician;

(f) One (1) teacher or administrator of vocational education;

(g) One (1) representative of the division of disaster and emergency services of the department of military affairs;

(h) One (1) mayor of a Kentucky city;

(i) One (1) county judge/executive;

(j) One (1) representative of Kentucky industry or business enterprise;

(k) One (1) representative of the general public.

The superintendent of public instruction and the state fire marshal shall serve as ex officio members of the commission. Appointive members shall be appointed for a term of four (4) years, provided, however, that of the members first appointed, five (5) shall be appointed for a term of two (2) years, four (4) for a term of three (3) years, and four (4) for a term of four (4) years. After July 15, 1980, any member chosen by the governor to fill a vacancy created otherwise than by expiration of term shall be appointed for the unexpired term of the member he is chosen to succeed.

(4) Members of the commission shall receive no compensation for their services but shall be allowed their actual and necessary expenses incurred in the performance of their functions hereunder.

(5) Members of the commission appointed pursuant to this section shall first be appointed on July 15, 1980. The terms of members appointed earlier shall terminate on July 15, 1980, but the governor may reappoint those members who qualify under the provisions of this section.

The Committee Amendment No. 1 to **HB 525** is as follows:

Amend printed copy of **HB 525** on page 1, line 8, by deleting the word "*seventeen*" and inserting in lieu thereof the word "*sixteen*"; and

on page 1, line 9, by deleting "*(17)*" and inserting in lieu thereof "*(16)*"; and

on page 1, line 10, by placing brackets around and striking through the word "shall" and inserting in lieu thereof the word "*should*"; and

on page 1, line 13, after the number "(3)" and before the word "membership", by placing brackets around and striking through the word "The" and inserting in lieu thereof "*It is recommended that the*"; and

on page 1, line 13, after the word "commission" by placing brackets around and striking through the word "shall"; and

on page 1, line 14, by deleting "*Three (3)*" and inserting in lieu thereof "*Two (2)*".

HB 622, AN ACT relating to personal services contracts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 45.700 is amended to read as follows:

(1) As used in KRS 45.705 to 45.720:

(a) "Contracting body" means each state board, bureau, commission, department, division, authority, university, college, officer, or other entity, except the legislature, authorized by law to contract for personal services;

(b) "Governmental emergency" means an unforeseen event or set of circumstances which creates an immediate need for services, which is necessary for maintenance of governmental operations or to prevent or minimize injury or damage;

(c) "Subcommittee" means personal service contract review subcommittee;

(d) "Personal service contract" means an agreement whereby an individual, firm, partnership or corporation is to perform certain duties, professional or otherwise for a specified period of time for a price agreed upon, which are exempted from competitive bidding pursuant to KRS 45.360. This definition does not apply to agreements with public utilities, foster care parents, medicaid providers, individuals performing homemaker services, transit authorities, agreements between a state agency and a state college or university, agreements between a state agency and an area development district, agreements between a state agency and a community action agency, agreements between a state agency and a mental health/mental retardation board, *agreements between a state agency and rural concentrated employment programs,* agreements between a state agency and another state agency and agreements between a state agency and a political subdivision.

(2) Compliance with the provisions of KRS 45.705 to 45.720 does not dispense with the requirements of any other law necessary to make the personal service contract valid.

HB 709, AN ACT relating to public buildings.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 153 IS CREATED TO READ AS FOLLOWS:

(1) It is recognized by the general assembly that Kentucky has a responsibility to foster culture and the arts, and its interest in the viable development of her artists and craftsmen by declaring that one percent (1%) of the portion of appropriation for capital construction expenditures shall be set aside for the acquisition of art to be used in public buildings.

(2) All state agencies or departments and local units of government constructing or renovating public buildings with any percentage of state funds shall expend, out of any monies appropriated for the original construction or substantial renovation of any public building, an amount of one percent (1%) of the appropriation for the acquisition of works of art which may be an integral part of the structure, attached to the structure, or detached within or outside of the structure, if said building is subject to access by the public.

(3) Expenditures for art as provided for herein shall be contracted for separately from all other items in the original construction of said public buildings as approved by the administering agency. All cost of the art, all cost of installation of the art, and all cost of administering the program in compliance with this Act shall be covered by the one percent (1%) provided for in this section.

(4) For the purpose of this section, public building shall not include highways, warehouses or other buildings in which the public will not have need of entry, unless it is an office building, and shall not include renovation projects that are mechanical in nature.

(5) The governmental agency that is responsible for maintenance of any public building receiving art as provided for in this Act shall also be responsible for maintenance and protection of the received art in its originally designed state.

(6) Projects owned by the Commonwealth shall also be subject to the provisions of KRS 45.750 through 45.880.

SECTION 2. A NEW SECTION OF KRS 153.210 to 153.235 IS CREATED TO READ AS FOLLOWS:

(1) The council shall be responsible for administering the program including, but not limited to, selecting an artist to be commissioned for providing art and for approving preliminary proposals of the art to be installed in public buildings being constructed or renovated, in accordance with the provisions of Section 1 of this Act. The council may choose to approve the purchase of completed art rather than to commission new works to be installed in public buildings as provided for in Section 1 of this Act.

(2) The council may designate, from its membership, ad hoc committees to select artists and approve art work. The council chairperson shall call for council or ad hoc committee meetings as necessary, and shall notify all interested council members of the call for the purpose of this Act. A majority of the members appointed to any ad hoc committee shall constitute a quorum of the committee.

(3) The council shall receive necessary administrative services from the department of the arts to which it is attached.

(4) The council shall make its selection of artists prior to the completion of price contracting for any public building applicable under Section 1 of this Act, in order that the building cost and design shall reflect the one percent (1%) for art, and that the artist selected shall be involved. The council shall insure that the one percent (1%) shall be expended from that percentage of the construction contract that is designated for decorating purposes, in order that the one percent (1%) for art shall not be applied as an addition to the estimated and contracted cost of the building.

(5) Contract payments shall be disbursed by the division of accounts, finance and administration cabinet, subject to the general provisions of the Kentucky revised statutes governing contract procurements, disbursements, and financial administration of all state agencies. Any property acquired shall be held in the name of the Commonwealth for its use and benefit. Acquisition, control, or disposal of such property shall be subject to the applicable provisions of KRS Chapter 45, 45A and 56.

(6) The council shall commission or contract with artists who are Kentucky residents when they are available and actively pursuing said contract. The council shall document for review why any non-Kentucky artist was chosen.

The Committee Amendment No. 1 to **HB 709** is as follows:

Amend printed copy of **HB 709** on page 2, line 8, by inserting after "*warehouses*" the phrase "*, prisons, school buildings*".

HB 842, AN ACT relating to historic state owned properties.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 11.026 is amended to read as follows:

(1) As used in this section "state curator" means the *director* [~~head~~] of the *office of historic properties* unit within the finance and administration cabinet with responsibilities for the *preservation, restoration, acquisition and conservation of all decorations, objects of art, chandeliers, china, silver, statues, paintings, furnishings, accoutrements and other aesthetic materials that have been acquired, donated, loaned and otherwise obtained by the Commonwealth of Kentucky for the executive mansion, the old governor's mansion, the new state capitol and other historic properties under the control of the finance and administration cabinet* [~~management of state historic properties~~].

(2) The *historic properties advisory commission* [~~governor's mansion commission~~] is established to provide continuing attention to the maintenance, furnishings, and repairs of the executive mansion, *old governor's mansion and new state capitol.* The commission shall be attached to the finance and administration cabinet for administrative purposes.

(3) The commission shall consist of *ten (10)* [~~six (6)~~] members. Among these members, one (1) shall be the state curator, one (1) shall be the director of the Kentucky historical society, one (1) shall be a resident of Franklin county with experience in restoration, *one (1) shall be the director of the executive mansion* and the remainder of the membership shall be selected from the state-at-large from persons with experience in historical restoration.

(4) The officers of the commission shall consist of a chairman, who shall be *appointed by the governor,* elected by the membership, and a secretary, who shall be responsible for the keeping of the records and administering the directions of the commission. The state curator of the Commonwealth of Kentucky shall serve as the secretary of the commission. *A member of the governor's family may serve as an honorary member of the commission. A simple majority of the membership shall constitute a quorum for the transaction of business by the commission.* [~~The first lady of the Commonwealth of Kentucky shall, during her tenure, serve as the honorary chairman of the mansion commission.~~]

(5) The public members of the commission shall be appointed by the governor and shall serve terms of four (4) years except that of the members initially appointed, *two (2) members* [~~one (1) member~~] shall serve *terms* [~~a term~~] of one (1) year; *two (2) members* [~~one (1) member~~] shall serve *terms* [~~a term~~] of two (2) years; one (1) member shall serve a term of three (3) years; and one (1) member shall serve a term of four (4) years. *The director of the historical society and director of the executive mansion shall serve on the commission in an ex officio capacity.* The persons holding the offices of director of the historical society, *director of the executive mansion* and state curator shall serve terms concurrent with holding their respective offices.

(6) Each commission member shall be reimbursed for his necessary travel and other expenses actually incurred in the discharge of his duties on the commission.

(7) There is established in the state treasury a historic properties endowment trust fund which shall be administered by the executive director of the office of historic properties under the supervision of the secretary of the finance and administration cabinet. The fund may receive state appropriations, gifts, grants, and federal funds and shall be disbursed by the state treasurer upon warrant of the secretary of finance. The fund shall be used for carrying out the functions of the office of historic properties. The office of historic properties may publish written material pertaining to historic properties of the state and charge and collect a reasonable fee for any such publications. The proceeds shall be deposited to the credit of the fund and after paying the costs of publication, the balance of such proceeds shall be used for purposes specified in this Act.

Section 2. KRS 11.027 is amended to read as follows:

(1) The commission shall meet at least every six (6) months and whenever called into session by the chairman at the request of the governor, of any two (2) or more members of the commission, or on his own motion.

(2) The commission shall examine the executive mansion, *the old governor's mansion and the new state capitol* at least *once* [~~twice~~] each year, and the commission shall supervise the maintenance of a current inventory of all furnishings in *such properties* [~~the executive mansion,~~] *and* such inventory *shall* [~~to~~] be maintained by the *office of historic properties in the* finance and administration cabinet. *The office of historic properties shall maintain inventory records relating to all such property of the state and no such property shall be disposed of except upon recommendation of the executive director of the office of historic properties with advice of the historic properties advisory commission. The proceeds realized from the sale of any such items shall be deposited in the historic properties endowment fund, established by Section 1 of this Act.*

(3) The commission shall recommend, from time to time, on the needs for furnishings, maintenance, repair, or renovation of the executive mansion, *the old governor's mansion and the new state capitol* and the finance and administration cabinet shall, from funds available, take such action as is recommended. The

commission shall have final authority over articles placed in *said properties* [~~the mansion~~] and monies spent on [~~mansion~~] restoration. *The commission shall develop criteria for this display of objects on the first floor of the new state capitol and shall be consulted by the executive director of the office of historic properties before objects are accepted for or removed from permanent display in the capitol.*

(4) The commission shall provide coordination and make arrangements for an orderly transition between outgoing and incoming chief executives.

(5) The commission shall perform the same functions required in relation to the executive mansion for the old governor's mansion insofar as they are applicable.

The Committee Amendment No. 1 to **HB 842** is as follows:

Amend printed copy of **HB 842** on page 2, line 3, after the period by inserting the words "*It is recommended that*" and before the word "one" by placing brackets around and striking through "Among these members,".

The Committee Amendment No. 2 to **HB 842** is as follows:

Amend printed copy of **HB 842** on page 2, line 7, by inserting after the word "*mansion*" and before the word "and" the words: "*, one shall be the director of the old governor's mansion,*";

and on page 2, line 13, by placing an opening bracket before the word "elected" and by placing a closing bracket after the first comma and by striking through the words "elected by the membership,";

and on page 5, line 18, by placing an opening bracket before "(5)" and by striking through the words "(5)" The commission shall perform the same functions;

and on page 5, line 19, by striking through the words "required in in relation to the executive mansion for the old;

and on page 5, line 20, by striking through the words "governor's mansion insofar as they are applicable." and by placing a closing bracket after the "period".

HB 851, AN ACT relating to state personnel.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 18A.090 is amended to read as follows:

(1) As provided by the budget enacted by the general assembly and other laws applicable to state personnel, the board shall appoint an executive director who shall be the chief administrative officer of the board and serve as secretary to the board. He shall have proven administrative and managerial experience and familiarity with equal employment opportunity laws and regulations. The board shall appoint other employes it deems necessary in accordance with the provisions of this chapter. The salaries of the executive director and other employes of the board shall be determined by order of the board. The executive director of the board shall prepare the budget request for approval by the board in the form and manner required by applicable law. For the purposes of KRS 45.070 the board shall be considered a budget unit.

(2) The attorney general shall be an advisory member of the board.

(3) Relative to merit hearings before the board, the particular agency of which the complainant is or was an employe shall bear all of the administrative costs thereof whenever the board rules in favor of the complainant, such as for example, but not limited to, the fees of court reporters, the printing or other reproduction expenses related to hearing transcripts, and other related matters. Relative to all appeals resulting from merit hearings of the board, including appeals to the circuit court, court of appeals, or the supreme court, the particular agency of which the complainant in said hearing is or was an employe shall bear all costs thereof whenever the courts rule in favor of the complainant, chargeable to the board, such as for example, but not limited to, legal fees and court costs and fees.

HB 925, AN ACT relating to public questions and constitutional amendments appearing on the ballot.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 118 IS CREATED TO READ AS FOLLOWS:

(1) Any public question that appears on the ballot shall be accompanied by a summary, printed below the public question in a style of print bolder than that of the public question. The summary shall state the essence of the question in a concise manner.

(2) The wording of the summary of a public question shall be prepared by the same public official that prepares the wording of the public question, unless the wording of the question is set by statute, in which case the wording of the summary shall be prepared by the appropriate county attorney for questions being voted on by the voters of one (1) county or less, or by the attorney general for questions being voted on by the voters of more than one (1) county.

Section 2. KRS 118.415 is amended to read as follows:

(1) *When* [~~Whenever~~] an amendment to the constitution has been proposed by the general assembly, the secretary of state shall cause the text of the proposed amendment to be published at least two (2) times in two (2) newspapers of general circulation published in this state, and shall also cause to be published at the same time and in the same manner the fact that the amendment will be submitted to the voters for their acceptance or rejection at the next regular election at which members of the general assembly are to be voted for. The publication shall be made at least ninety (90) days preceding the election at which the amendment is to be voted on.

(2) The attorney general shall state the substance of the amendment in the form of a question in a manner calculated to inform the electorate of the substance of the amendment, and shall *prepare a summary as provided in Section 1 of this Act. The attorney general shall* certify the question *and summary* to the state board of elections to be placed on the voting machine. The state board of elections, not less than forty-five (45) days before the next regular election at which members of the general assembly are to be chosen, shall certify the substance of the amendment, as stated and certified by the attorney general, to the county clerk of each county, and the county clerk shall have the substance of the amendment, as so certified, indicated on the voting machines.

(3) The votes cast for and against the amendment shall be counted, canvassed and certified to the state board of elections in the same manner as the votes cast for any officer elective by the votes of the whole state. If a majority of the votes cast on the question are for the amendment, it shall become a part of the constitution.

(4) The expenses of the publications provided for in this section shall be paid as are the expenses of other publications that the secretary of state is required to make in connection with elections.

HB 965, AN ACT relating to scientific and technical assistance to industry.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 147 IS CREATED TO READ AS FOLLOWS:

There is hereby created an agency of state government to be known as the center for economic and technical affairs, hereinafter referred to as the center. The center shall be headed by a commissioner appointed by and directly responsible to the governor. The center shall be responsible for promoting economic growth in Kentucky through the greater use of technology, research and economic analysis.

SECTION 2. A NEW SECTION OF KRS CHAPTER 147 IS CREATED TO READ AS FOLLOWS:

The center shall be comprised of an office of economics and technical assistance, an office of technology development, and an office of administration. Each office shall be headed by an executive director appointed by, and directly responsible to, the commissioner in accordance with KRS 12.050. The executive director shall perform the functions and have the powers and duties as provided by law and as the commissioner may prescribe.

SECTION 3. A NEW SECTION OF KRS CHAPTER 147 IS CREATED TO READ AS FOLLOWS:

The office of economics and technical assistance shall be responsible for detailed analysis of the state's economy to determine those areas with high potential for growth, high employment and intra-industry stimulation effects, and high potential response to technical development and scientific research. The office shall encourage and support public and private sector joint research ventures, encourage private sector support for university research and academic programs, develop and serve as coordinator for venture capital resources to support business growth in the state, work with the various colleges and universities to bring about a closer relationship with the state's corporate sector in matching industry needs with academic resources, and work to insure that small business shares in the benefits of technology and scientific *developments.*

SECTION 4. A NEW SECTION OF KRS CHAPTER 147 IS CREATED TO READ AS FOLLOWS:

The office of technology development shall be responsible for monitoring technical and scientific developments, encouraging and supporting specific research projects in Kentucky, and facilitating the commercial application research findings.

SECTION 5. A NEW SECTION OF KRS CHAPTER 147 IS CREATED TO READ AS FOLLOWS:

The office of administration shall be responsible for personnel, purchasing, accounts and facilities management and other such responsibilities as are assigned by the commissioner.

SECTION 6. A NEW SECTION OF KRS CHAPTER 164 IS CREATED TO READ AS FOLLOWS:

It shall be the policy of the council on higher education and the advisory conference of university presidents to encourage and support joint ventures between institutions of higher learning and industry and to encourage faculty members to participate in research and professional activities directly benefiting the state's commercial and governmental sectors.

HCR 86, A CONCURRENT RESOLUTION establishing a task force to consider the creation of a retirement program for volunteer firemen.

WHEREAS, volunteers in over five hundred volunteer fire departments provide fire protection to the small towns and rural areas of Kentucky; and

WHEREAS, volunteer firemen willingly risk their personal safety for no compensation in order to serve their communities; and

WHEREAS, the protection offered to persons and property by volunteer firemen is invaluable to Kentuckians and serves to reduce their insurance costs; and

WHEREAS, persons served by volunteer fire departments would benefit from experienced volunteer firemen remaining in their departments; and

WHEREAS, a retirement program for volunteer firemen with extended service would promote continued service by volunteer firemen;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Legislative Research Commission is directed to study the feasibility of a retirement program for volunteer firemen.

Section 2. A task force shall be appointed by the Legislative Research Commission to guide and assist in the study. The task force shall be comprised of:

(1) One member of the Senate and one member of the House of Representatives of the Kentucky General Assembly;

(2) Two members of the Commission on Fire Protection Personnel Standards and Education, nominated by the Commission;

(3) Two members of the Kentucky Firefighters' Association, nominated by the Association;

(4) One representative of the Kentucky Municipal League, nominated by the League;

(5) One representative of the Kentucky Association of Counties, nominated by the Association; and

(6) The State Fire Marshal or his designee. The chairman of the task force shall be the member of the Senate or the member of the House, or they may serve as co-chairmen.

Section 3. The task force shall study the potential benefits, criteria for participation, form and costs of a retirement program for volunteer firemen, and shall present its findings and recommendations to the Legislative Research Commission no later than July 1, 1985.

Section 5. Task force members not otherwise compensated or reimbursed for their time and expenses shall be reimbursed for their necessary and reasonable expenses.

Section 6. Staff services to be utilized in completing this study are estimated to cost $12,000. These staff services shall be provided from the regular commission budget and are subject to the limitations and other research responsibilities of the commission.

HCR 110, A CONCURRENT RESOLUTION requesting and petitioning the Governor to establish a Task Force on Prescription Drug Abuse.

WHEREAS, the diversion of prescription drugs by licensed practitioners has become a major drug enforcement problem in the United States; and

WHEREAS, the Drug Enforcement Administration has testified before Congress that approximately 13,000 practitioners are involved in illicit practices including indiscriminant prescribing, dispensing without a prescription and dispensing obviously forged prescriptions; and

WHEREAS, a study of drug enforcement and regulatory activities funded by DEA revealed a general inability among professional licensing boards to deal effectively with violations of drug laws and inadequate or obsolete legal frameworks to accomplish effective regulation of practitioners;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. The Governor of the Commonwealth of Kentucky is hereby requested and petitioned to establish and convene a Task Force on Prescription Drug Abuse. It is recommended that the membership of the Task Force include representatives of professional licensing boards and professional associations in the areas of medicine, pharmacy, dentistry, veterinary medicine, nursing, and other health professions authorized to prescribe or dispense prescription drugs. Members shall serve on the Task Force without compensation. The Governor shall designate one of the members as chairman.

Section 2. The Task Force on Prescription Drug Abuse shall:

(1) Identify existing prescription drug abuse problems in Kentucky, including methods of drug diversion;

(2) Identify existing statutory provisions and regulatory structures that relate to those problems and the professions involved;

(3) Identify voluntary practices among prescribers, dispensers and distributors of prescription drugs, that address the problems; and

(4) Identify remedies proposed or adopted in other jurisdictions.

Section 3. The Task Force on Prescription Drug Abuse shall report to the Governor and the Legislative Research Commission no later than July 1, 1985. The report shall contain the findings of the task force and recommendations, including necessary legislation, for effectively addressing the problems identified.

Section 4. Staff services for the Task Force on Prescription Drug Abuse shall be provided by the Attorney General's office, Drug Enforcement Section. Additional staff services shall be provided by the Cabinet for Human Resources, the Legislative Research Commission and the appropriate professional licensing boards, upon request.

The Committee Amendment No. 1 to **HCR 110** is as follows:

Amend printed copy of **HCR 110** on page 3, lines 3 and 4, by deleting "Attorney General's office, Drug Enforcement Section" and inserting in lieu thereof "Justice Cabinet".

HR 114, A RESOLUTION expressing the sentiment of the Kentucky House of Representatives opposing the U.S. Army's proposed ammunition disposal at the Lexington-Blue Grass Army Depot.

WHEREAS, the U.S. Army, in 1980, declared seventy-thousand (70,000) M-55 rockets filled with nerve agents VX and GB, and stored at the Lexington-Blue Grass Army Depot near Richmond, as obsolete; and

WHEREAS, the U.S. Army proposes to construct and operate, on the storage site, an incinerator to destroy the obsolete rockets; and

WHEREAS, construction alone of the proposed incineration facility would cost the taxpayers an estimated $12 million, with an added $30 million for equipment; and

WHEREAS, incineration of the M-55 rockets, containing seven hundred thousand (700,000) pounds of nerve gas, will generate hazardous waste; and

WHEREAS, it is necessary for the U.S. Army to obtain environmental permits from the Kentucky Natural Resources and Environmental Protection Cabinet for the proposed incineration facility; and

WHEREAS, even if the proposed incineration facility is legally permitted, accidents involving the nerve gas are still possible, such as the 1979 incident at the Depot which resulted in the evacuation of fifty (50) families and the temporary closing of Interstate 75;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of the House of Representatives of the Kentucky General Assembly do hereby recognize the inherent dangers and expense of the proposed ammunition disposal at the Lexington-Blue Grass Army Depot.

Section 2. That it is the expressed opinion of this honorable body that construction and operation of the proposed hazardous waste incinerator is not in the best health or safety interests of the Commonwealth.

Section 3. That the U.S. Army should explore and propose reasonable alternative methods of ammunition disposal at the Lexington-Blue Grass Army Depot.

Section 4. That a copy of this resolution be sent to each member of the Kentucky Congressional delegation.

SB 256, AN ACT relating to state government.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 58.215 is amended to read as follows:

(1) The capital plaza authority shall be composed of *seven (7)* [~~six (6)~~] members. The governor, secretary of the finance and administration cabinet, attorney general, *the president of Kentucky state university,* and the secretary of development shall be the *five (5)* [~~four (4)~~] state members. The mayor shall appoint the city member. The county judge/executive shall appoint the county member. Both the city member and the county member shall serve for a four (4) year term. These *seven (7)* [~~six (6)~~] persons are a body corporate constituting a public corporation and governmental agency and instrumentality of the Commonwealth by the name of the "Capital Plaza Authority," with perpetual succession and with power in that name to contract and be contracted with, to convey property, to sue and be sued, to have and use a corporate seal, and to exercise, in addition to the powers and functions specifically stated in KRS 58.210 to 58.315, all of the usual powers of private corporations not inconsistent with specifically enumerated powers.

(2) The members of the authority shall receive no compensation for their services, but are entitled to reimbursement for all reasonable expenses necessarily incurred in connection with performance of their duties and functions as members.

(3) Four (4) members of the authority shall constitute a quorum for the transaction of business. The governor shall be the chairman of the authority and the secretary of the finance and administration cabinet shall be the vice-chairman. The authority shall elect a secretary and a treasurer who shall serve at the pleasure of the authority and receive such compensation as may be determined by the authority. The treasurer shall give bond to the authority for a faithful accounting for all funds coming into his custody, in such amount as the authority may prescribe, drawn upon a surety company qualified to do business in the Commonwealth, premium therefor to be paid by the authority. The authority shall establish and maintain an office and the secretary of the authority shall maintain therein complete records of the authority's actions and proceedings, as public records open to inspection.

HB 60, AN ACT relating to elections.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 118 IS CREATED TO READ AS FOLLOWS:

(1) In addition to possessing all other qualifications, any person desiring to become a write-in candidate in a general or special election for offices to be voted for by the electors of one county or of a district less than one county, except congress and the general assembly, shall file a registration paper with the county clerk not later than fourteen (14) days before the election. Any person desiring to become a write-in candidate in a general or special election for a state office to be voted for by the electors of more than one county, or for congress or the general assembly, shall file a registration paper with the secretary of state not later than fourteen (14) days before the election.

(2) The registration paper to be filed by the candidate shall be a signed statement by the candidate to include his name, place of residence, date of birth, the office which he seeks, and a statement that on the date of the election he shall possess the required qualifications for the office he seeks. The registration paper shall be in the form prescribed by the state board of elections.

(3) Write-in candidates shall be required to pay a filing fee.

(4) The secretary of state shall notify the county clerk in each county in which there will appear on the ballot an office for which a write-in candidate has registered with the secretary of state. Such notice shall

be made by certified mail not later than seven (7) days before the date of the election.

SECTION 2. A NEW SECTION OF KRS CHAPTER 118A IS CREATED TO READ AS FOLLOWS:

(1) In addition to possessing all other qualifications, any person desiring to become a write-in candidate in a general or special election for an office of the court of justice shall file a registration paper with the secretary of state not later than fourteen (14) days before the election.

(2) The registration paper to be filed by the candidate shall be a signed statement by the candidate to include his name, place of residence, date of birth, the office which he seeks, and a statement that on the date of the election he shall possess the required qualifications for the office he seeks. The registration paper shall be in the form prescribed by the state board of elections.

(3) Write-in candidates shall be required to pay a filing fee.

(4) The secretary of state shall notify the county clerk in each county in which there will appear on the ballot an office for which a write-in candidate has registered with the secretary of state. Such notice shall be made by certified mail not later than seven (7) days before the date of the election.

Section 3. KRS 64.012 is amended to read as follows:

The county clerk shall receive for the following services the following fees:

Recording deed of trust or assignment for the benefit of creditors, provided the entire record thereof does not exceed three pages	$ 5.00
Exceeding three pages, for each page	1.50
Copy and certification of same when ordered	3.50
Each bond required to be taken or prepared by the clerk	2.00
Copy of any bond when ordered	1.50
Recording a bond, each bond	5.00
Receiving the acknowledgment or proof of any deed, mortgage or agreement, power of attorney, or other written instrument required by law to be done and certifying same	1.25
Taking the acknowledgment or proof of a deed of real estate, certifying and recording the same and recording his own certificate, provided the entire record thereof does not exceed three pages	7.00
Exceeding three pages, for each page	1.50
Certified copy of deed	3.50
Recording a mortgage of real estate, certificates, and all services connected with the same, provided the entire record thereof does not exceed three pages	7.00
Exceeding three pages, for each page	1.50
Certified copy of real estate mortgage	3.50
Recording deed of assignment of real estate mortgage	5.00
Noting release of any lien, mortgage or redemption other than a deed of release	2.50
Receiving the acknowledgment, recording and certifying each deed of release of a mortgage or lien under KRS 382.360	5.00
Each additional marginal notation relating to same instrument	2.50
Making a record for the establishment of a city, recording the plan or plat thereof, and all other services incident	10.00
Recording survey of a city, or any part thereof, or any addition to or extensions of the boundary of a city	10.00
Every order concerning the establishment, changing, closing or discontinuing of roads, to be paid out of the county levy when the road is established, changed, closed or discontinued, and by the applicant when it is not	1.00
Administering an oath and certificate thereof	1.00
Issuing license for which no other fee is fixed by law	1.50
Marriage license, bond, certificate and recording	14.00
For filing and indexing an original or continuation financing statement, and noting the security interest on the required receipt for one motor vehicle	6.00
For filing and indexing an assignment of a financing statement	6.00
For filing and noting a statement of release of collateral under a financing statement	1.00
Recording real estate options, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, for each page	1.50
Recording power of attorney or revocation of power of attorney, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, for each page	1.50
Recording plats, maps and surveys, not exceeding 24 inches by 36 inches, per page	10.00
Recording all leases which are recordable by law, provided the entire record thereof does not exceed three	

pages	5.00
Exceeding three pages, for each page	1.50
Marginal notation to same instrument	2.50
Filing or recording of certification of intention to operate a business under an assumed name	5.00
Filing a lien on a delinquent motor vehicle or trailer bill	6.00
Releasing a lien on a delinquent motor vehicle or trailer bill	1.50
Filing or recording of mechanic's and artisan's liens under KRS Chapter 376	5.00
Filing or recording of notice of lien issued by the Internal Revenue Service	5.00
Filing or recording of notice of lien discharges issued by the Internal Revenue Service	5.00
Filing or recording of lis pendens notice concerning proceedings in bankruptcy and other lis pendens notices, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, for each page	1.50
Filing or recording United States liens, provided the entire record per lien does not exceed three pages	5.00
Exceeding three pages, for each page	1.50
Filing or recording release of a United States lien, provided the entire record per lien does not exceed three pages	5.00
Exceeding three pages, for each page	1.50
Filing or recording state tax or other state liens, other than liens on delinquent motor vehicles or trailers	5.00
Filing release of a state tax or other state lien, other than a lien on a delinquent motor vehicle or trailer	5.00
Filing notification and declaration and petition of candidates for office	*20.00* [~~5.00~~]
Recording wills or other probate documents under KRS 394.300	5.00
Issuance of fish and game licenses or tags costing more than $1.00 each	.75
Registration of licenses for professional persons required to register with the county clerk	5.00
Recording and issuing articles, statements, or reports of corporations pursuant to KRS Chapters 271A, 272 and 273, including articles of incorporation, amendment, restatement of incorporation, merger, consolidation, or dissolution and statements of establishment of a series of shares, cancellation of a series of shares, reduction of capital, intent to dissolve, revocation of voluntary dissolution, or any other statement or report of a foreign or domestic corporation, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, for each page	1.50
Miscellaneous recordings for which no specific fee is set, provided the entire record thereof does not exceed three pages (except military discharges)	5.00
Exceeding three pages, each additional page	1.50
Filing miscellaneous documents for which no specific fee is set, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, each additional page	1.50
Filing certification required by KRS 65.070 (1) (a)	2.00
Certification of franchise tax assessment	2.50

Section 4. KRS 83A.170 is amended to read as follows:

(1) In any city which has under the provisions of KRS 83A.050 required nonpartisan city elections, or in any city of the second class operating under the city manager form of government pursuant to KRS 83A.150, no person shall be elected to city office except as provided in this section.

(2) No person shall be elected to city office without being nominated in the manner provided in this section at a nonpartisan primary election to be held at the time prescribed by law for primary elections generally. Nonpartisan primary elections shall be conducted by the same officers, chosen and acting in the same manner, with the same rights and duties as in regular elections.

(3) Each applicant for nomination shall, at least *ninety (90)* [~~fifty-five (55)~~] days before the primary election, file with the county clerk a petition signed by at least one percent (1%) of the registered voters in the city or twenty (20) voters, whichever is less. Each voter may sign a slated petition up to the number of offices to be filled for a particular position or may sign individual petitions equal to the number of offices to be filled, if a voter signs petitions for more candidates than he is authorized then he shall be counted as a petitioner for the candidate whose petition is filed first. The petition shall be in the following form:

"We the undersigned, qualified voters of the City of ______________ request that the name of ______________ be placed before the voters of the city as that of an applicant for nomination for the office of ______________ at the primary election to be held in our city on the fourth Tuesday in August , ________. We know the applicant to be a qualified voter of the city and a person of good character, and he is, in our judgment, qualified for the duties of the office.

Name Number Street

______________ ______________ ______________

______________ ______________ ______________

______________ ______________ ______________"

The petition shall be verified by the affidavit of some person as to the genuineness of signatures and addresses of the signers. No voter shall sign more than one (1) petition with reference to each applicant. If any voter signs more than one (1) petition of an applicant, the name of that voter shall not be counted as valid on any petition.

(4) *The county clerk shall examine the petition of each candidate. If there is an error, the county clerk shall notify the candidate by certified mail within twenty-four (24) hours of filing. Upon receipt of such notice, the candidate shall correct such error not later than seventy-two (72) hours after the filing deadline.*

(5) Immediately upon expiration of the time for filing petitions, the county clerk shall have published in accordance with KRS Chapter 424 the names of the applicants as they will appear before the voters at the primary.

(6)[~~(5)~~] Subsection *(5)* [~~(4)~~] of this section shall not apply if it appears, immediately upon expiration of the time for filing petitions, that there are not more than two (2) applicants for nomination for each city office to be filled, or, when the nominations are for city legislative body members in cities electing legislative body members at large, and there are no more than twice the number of applicants for nomination for the number of offices to be filled. In that case, the applicants for nomination shall thereby be nominated and no primary election shall be held for that office.

(7) No applicant for nomination or nominee shall withdraw his candidacy within forty-eight (48) days before a primary or general election.

(8)[~~(6)~~] Names of applicants for each nomination shall be placed before the voters of the city. The voters shall be instructed to vote for one candidate, except that they shall be instructed to vote for the number of legislative body members to be elected in cities nominating legislative body members at-large. No party designation or emblem of any kind, nor any sign indicating any applicant's political belief or party affiliation shall be used.

(9)[~~(7)~~] Persons qualified to vote at a regular election are qualified to vote at a nonpartisan primary election and the law applicable to challenges made at a regular election is applicable to challenges made at a nonpartisan primary election.

(10)[~~(8)~~] Votes shall be counted as provided in general election laws and the result shall be published as provided in KRS Chapter 424.

(11)[~~(9)~~] The two (2) applicants receiving the highest number of votes for nomination for each city office shall be nominated, or where the nominations are for city legislative body members in cities electing legislative body members at large, there shall be nominated the number of applicants receiving the highest number of votes equal to twice the number of offices to be filled.

(12) A majority of the petitioners for a nominee designated under this section may fill a vacancy which occurs in such nomination. The petitioners shall give notice of the replacement candidate to the county clerk before the ballots or ballot labels are printed. Such notice shall be a written statement which shall include the name and residence of the candidate, the name of the office for which he is a candidate, and a statement that the candidate is legally qualified to hold the office. The notice shall be signed by two (2) of the petitioners, who shall be designated by a majority of the petitioners.

(13)[~~(10)~~] At the regular election following a nonpartisan primary election, the names of the successful nominees shall be placed before the voters.

(14)[~~(11)~~] The nominee receiving the greater number of votes cast for each city office shall be elected.

(15)[~~(12)~~] General election law prescribing duties of county clerks and other public officers in the conduct of elections shall be applicable in all respects to nonpartisan city elections, except no election officer or other person within a polling place shall tell or indicate to a voter, by word of mouth or otherwise, the political affiliation of any candidate for city office.

Section 5. KRS 116.045 is amended to read as follows:

(1) Any person may register as a voter during the period registration is open if he possesses, or will possess on the day of the next regular election, the qualifications set forth in KRS 116.025.

(2) Except during implementation of the initial statewide registration, the county board of elections shall cause all registration to be closed the thirty (30) days prior to, and the five (5) days following, any primary or general election, and the ten (10) days prior to any special election. No voter shall be registered or be permitted to change his registration during the period that the registration is closed; except that, registration shall be closed only in those precincts in which the election is held.

(3) In all counties the county clerk, when authorized by the county board, shall receive registration, transfers, or change of party affiliation at branch offices at any place in the county during those periods that the registration books are open. However, notice in the manner provided by KRS Chapter 424 must be given at least three (3), but not more than fourteen (14), days in advance of the time and place of any branch registration, and ten (10) days' written notice must be given to the county executive committee of each major political party in the county in which the branch registration is to be held.

(4) Any person may register to vote or may change his party affiliation in any of the following ways:

(a) In person;

(b) By mail;

(c) By means of the federal post card application, if the person is a resident of Kentucky and a member of the armed forces, or a dependent of members of the armed forces; or

(d) By such other methods of registration, or reregistration, as approved by the state board of elections, including the use of voluntary interested groups and political parties, under the proper supervision and directions of the county board of elections, which may include door to door canvassing.

(5) *Voter registrations, transfers, or party affiliation changes which are made by mail shall be considered to be received by the county clerk on the postmark date, provided that such mail is received within three (3) days of the postmark date.*

(6) Upon receipt of the form prescribed by the state board of elections, properly filled out and signed by the applicant, the county clerk shall register the applicant.

(7)[~~(6)~~] Any individual or group shall have access to a reasonable number of voter registration forms in the county clerk's office. Such individual or group shall return these completed forms to the county clerk for official registration by the county clerk.

(8)[~~(7)~~] The county clerk shall provide voter registration forms to each principal or assistant principal of every public high school, each area vocational school, and upon request, private schools, who shall designate a person in each school who shall be responsible for informing students and school personnel of the availability of the registration forms and assist them in registering with the party of their choice. The completed forms shall be returned to the county clerk, for official registration by the county clerk.

Section 6. KRS 116.049 is amended to read as follows:

(1) The state board of elections shall prepare and issue to each elector registered after July 1, *1984 who requests such a card* [~~1976~~], a registration notification card of convenient size containing the name and residence address of the elector, the name or number of the precinct in which the elector resides, and a brief statement of the circumstances under which the elector is required to reregister.

(2) At the time he reregisters, each elector shall surrender to the county clerk any registration card in his possession previously issued to him, and the state board of elections shall issue a new card to him, *if he requests such a card.*

(3) If an elector loses his registration card he may apply to the county clerk for a new card, and the state board of elections shall issue a new card to him.

(4) The state board of elections shall be reimbursed the expense of preparing and issuing registration cards up to the amount of fifteen cents (15) per registration card issued to be paid from the state treasury as a necessary governmental expense.

Section 7. KRS 116.145 is amended to read as follows:

[~~(1)~~] The fee for registration of all voters shall be paid to the county clerk by the state in the amount of twenty-five cents (25) for each person registered.

[~~(2) The amount of sixty dollars ($60) per precinct shall be paid biennially by the state to the county board of elections in counties containing a city of the first class for the purgation of precincts.~~]

Section 8. KRS 117.025 is amended to read as follows:

(1) The state board of elections shall appoint an executive director, who shall be the chief administrative officer for the board. The board shall also appoint an assistant to the director, who shall be of a different political party than the director. The salaries of the director and his assistant shall be set by the board.

(2) The state board of elections shall employ, on a bipartisan basis, a staff sufficient to carry out the duties assigned to the board, including such legal counsel as is deemed necessary by the board.

(3) The state board shall:

(a) Maintain a complete roster of all qualified registered voters within the state by county and precinct;

(b) Delete the name of any voter who is deceased or who is no longer qualified to vote in the precinct where currently registered as may be provided by law, or who has failed to vote at any primary or regular election for four (4) consecutive years. *Such names shall be deleted between the dates of the general and primary elections. The state board of elections shall*[~~, and~~] notify the local boards of election and the voter of such action and the reason therefor, by the tenth (10th) of the month following such action;

(c) Enter names on the various registration rosters as they are reported by the county boards of election;

(d) Furnish each county clerk with a master list of all registered voters in the county, together with three (3) lists of all registered voters in each precinct of the county, at least five (5) days prior to each election;

(e) Maintain all information furnished to the state board relating to the inclusion or deletion of names from the rosters for four (4) years;

(f) Furnish the state central executive committee of each political party at a reasonable cost qualifying under KRS 118.015 monthly data of all additions, deletions and changes of registration in each precinct of each county and the state central executive committee shall furnish a county listing to each of the county executive committees of each political party;

(g) Purchase, lease or contract for the use of such equipment as may be necessary to properly carry out its duties under the provisions of this chapter and KRS chapters 116 and 118;

(h) Secure information from any source which may assist the board in carrying out the purposes of this section;

(i) Furnish at a reasonable price any and all precinct lists to duly qualified candidates, political party committees or officials thereof, or any committee that advocates or opposes an amendment or public question. The state board of elections may also furnish the precinct lists to other persons at the board's discretion, at a reasonable cost, provided, however the board shall not furnish precinct lists to persons who intend to use such lists for commercial use.

Section 9. KRS 117.055 is amended to read as follows:

(1) Each county shall be divided into election precincts. The political territory having the least area within the county's boundaries, with the exception of the total area of a city or town contained within such boundaries, shall be designated an election precinct. Each election precinct shall be composed of contiguous and, as nearly as practicable, compact areas having clearly definable boundaries and wholly contained within any larger district. The county board of elections shall have the authority to draw precinct lines so as to enable more than one precinct to vote at one location. The county board of elections shall review election precinct boundaries as often as necessary. Without exception they shall review the boundaries of all election precincts exceeding seven hundred (700) votes cast in the last regular election prior to each primary election. Consideration to the division of said election precincts should be based on the anticipated growth factor within the specified boundaries; however, the county board of elections shall not be prohibited from dividing election precincts in excess of seven hundred (700) votes cast in the last regular election or less than seven hundred (700) votes cast in the last regular election if they elect to do so. No election precinct shall be created, divided, abolished or consolidated or the boundaries therein changed later than *ninety (90)* [~~fifty-five (55)~~] days prior to any primary [~~or general~~] election *or later than fifty-five (55) days prior to any general election* to comply with the provisions of this section. The county board of elections shall designate the name or number and the boundaries of the election precincts. Each precinct shall contain, as nearly as practicable, an equal number of voters, based on the number of registered voters in the county. A map and listing of the exact election precinct boundaries shall be filed by the county board of elections with the state board of elections, and any changes in boundaries thereafter made shall also be filed with the state board of elections. A copy of this map indicating all precinct boundaries within the county shall be included in the election supplies of each precinct.

(2) If the county board of elections fails to perform the duty herein required, then the state board of elections or any citizen and voter of the county may apply to the circuit court of the county for a summary mandatory order requiring the board to perform this duty. Appeals may be taken to the Court of Appeals by either party.

(3) The county board of elections shall coordinate all precinct boundary changes with the affected school board, magisterial and municipal boundaries.

Section 10. KRS 117.075 is amended to read as follows:

(1) Any qualified voter who has not been declared mentally disabled by a court of competent jurisdiction, and who, on account of age, infirmity or illness, is not able to appear at the polls on election day may vote in the following manner. At least seven (7) days prior to the date of the election, he shall present to the clerk by mail or in person his verified statement that his inability to appear is due to age, infirmity, or illness, and indicating whether or not the condition is temporary, applying to the instant election only, or is expected to be a continuing one. [~~If the condition is indicated as being continuing the voter need not file further statements of disability. For ensuing elections the voter may make reference to the statement previously filed when applying for a special ballot. The county clerk shall maintain a file of all such statements.~~] Upon receipt of the verified statement, the clerk shall immediately mail to the voter a special ballot, and envelopes, and the voter shall cast his vote in the same manner as provided for the absent voter in KRS 117.087.

(2) Special ballots cast by disabled persons shall be tabulated in the same manner as are special ballots cast by absent voters.

(3) In case of a medical emergency within seven (7) days or less of an election, a registered voter may apply for an absentee ballot. Such application shall state that the emergency condition occurred within the seven (7) day period and must be notarized. The application form shall be restricted to the use of the voter, the voter's spouse, the voter's parents, or the voter's dependent children. *If the voter has no spouse, parents or dependent children, the application form shall be restricted to the use of the voter or the voter's brother, sister, niece or nephew.* Upon receipt of the application and verification the county clerk shall issue an absentee ballot.

Section 11. KRS 117.145 is amended to read as follows:

(1) At least two (2) days before any special election, [~~and~~] at least *thirty (30)* [~~fifteen (15)~~] days before any primary *election, and at least fifteen (15) days before any* [~~or~~] regular election, the county clerk of each county shall cause to be printed and ready for use ballot labels for each candidate who, and each question which, is entitled to be voted upon in such election. The ballot labels shall be printed on clear white paper or other material which shall be furnished by the printer. They shall be printed in black ink, in plain, clear type

clearly legible to a person with normal vision, and shall be of such size as will fit the ballot frames. The labels shall include the necessary party designations.

(2) Each county clerk shall have printed a sufficient number of special paper ballots. The special ballot shall be used for voting by absent voters; by voters so disabled by age, infirmity or illness as to be unable to appear at the polls; and for voting in an emergency situation. The ballot stubs shall be consecutively numbered and the county board shall keep a record, by number, of all special ballots used for any of the purposes listed herein.

(3) At least three (3) days before a special or regular election the county clerk shall equip the voting machines with the necessary supplies for the purpose of write-in votes. The county clerk shall also attach a pencil or pen to the voting machine for write-in purposes.

(4) If supplemental paper ballots have been approved as provided in KRS 118.215, the county clerk shall cause to be printed a sufficient number of paper ballots for the registered voters of each precinct. The paper ballots shall have stubs which are numbered consecutively. The quality of paper on which the supplemental paper ballots are printed shall be determined by regulations promulgated by the secretary [~~for the department~~] of finance *and administration cabinet.*

Section 12. KRS 117.225 is amended to read as follows:

(1) Any person desiring to vote on election day shall give his name and address to the clerk of the election. If the person's name is listed on the precinct list furnished by the state board of elections as provided in KRS 117.025 and if no challenge is made, he shall sign his name on the precinct list in the space opposite his printed name. The voter's signature shall constitute his verification that he is a properly registered and qualified voter. *The clerk of the election may require reasonable identification from each voter.* The voter shall then retire alone to cast his vote on the voting machine. [~~There shall be provided by the county board of elections to each precinct the original registration form of each voter entitled to vote in that precinct. This form shall be for comparative signature purposes.~~]

(2) If supplemental paper ballots are used, as provided in KRS 118.215, after voting on the voting machine the voter shall take the supplemental paper ballot with the stub intact and retire alone to the voting booth provided for voting paper ballots. After voting the supplemental paper ballot, the voter shall remove the numbered stub, hand the stub to an election official and deposit the voted ballot in the locked ballot box.

Section 13. KRS 117.245 is amended to read as follows:

(1) The fact that a person is registered constitutes only prima facie evidence of his right to vote and does not prevent the officers of any election from refusing to allow him to vote for cause.

(2) When the officers of an election disagree as to the qualifications of a voter or if his right to vote is disputed by a challenger, the voter shall sign a written oath *or affirmation* as to his qualifications before he is permitted to vote. The oath *or affirmation* shall be in such form as prescribed by the state board of elections and twenty (20) printed copies shall be included in the election supplies of each precinct.

(3) The subscribed oaths *or affirmations* shall be returned to the county clerk who shall deliver them to the commonwealth's attorney.

(4) The commonwealth's attorney and county attorney shall investigate each of the oaths *or affirmations* and cause to be summoned before the grand jury the witnesses they or either of them, deem proper, and the grand jury shall make a thorough investigation of all votes so cast, and return indictments against all persons illegally voting. The foreman of the grand jury shall return to the county clerk all of the oaths *or affirmations* upon which no indictments are found. The clerk shall safely keep them as a part of the records of his office, and shall produce any or all of them, when required, to any subsequent grand jury.

Section 14. KRS 117.275 is amended to read as follows:

(1) At the count of the votes in any such precinct, any candidate and any representatives to witness and check the count of the votes therein, who are hereby authorized to be appointed as is provided in subsection (6) of this section, shall be admitted and be permitted to be present and witness the count.

(2) As soon as the polls are closed, and the last voter has voted, the judges shall immediately lock and seal the operating lever or mechanism of the machine so that the voting and counting mechanism will be prevented from operation, and they shall then sign a certificate stating:

(a) That the machine has been locked against voting and sealed;

(b) The number of voters, as shown on the public counters;

(c) The number registered on the protective or accumulative counter or device, if any; and

(d) The number or other designation of the voting machine, which certificate shall be returned by the judges of election to the officials authorized by law to receive the same. The judges shall then compare the number of voters, as shown by the counter of the machine, with the number of those who have voted as shown by the protective or accumulative counter or device.

(3) The judges, in the presence of the representatives mentioned in subsection (1), if any, and of all other persons who may be lawfully within the polling place, shall then make visible the registering counters, and, for that purpose, shall unlock and open the doors, or other covering concealing the same, giving full view of all the counter numbers. The judges shall, under the scrutiny of such representatives, and in the order of the offices as their titles are arranged on the machine, read and announce, in distinct tones, the results as

shown by the counter numbers for each candidate and for and against each question voted on. The counters shall not be read consecutively along the party rows or columns, but shall always be read along the office columns or rows, completing the canvass for each office or question before proceeding to the next. The vote as registered shall be entered by the judges, in ink, on quadruplicate return sheets, and also on a general return sheet and statement, all of which, after the canvass is completed, shall be signed by the judges. The total votes cast for each candidate, and for and against each question, and the votes written in *for write-in candidates registered as required by KRS 118.366, and by Section 2 of this Act,* shall then be entered on the general and quadruplicate return sheets and statement. There shall also be entered on the general return sheet and statement the number of voters who have voted, as shown by the lists of voters, and the number who have voted on each machine, as shown by the public counters, and also the number registered on the protective or accumulative counter or device on each machine immediately after the closing thereof and sealing of the machine. The number or other designation of each machine used shall also be entered thereon. In the case of primary elections, quadruplicate return sheets shall remain exposed to view until the said returns and all other reports have been fully completed.

(4) The proclamation of the result of the votes cast shall be announced distinctly and audibly by one of the judges of election, who shall read the name of the vote cast for each candidate and the vote for and against each question submitted. During such proclamation ample opportunity shall be given to any person lawfully present to compare the results so announced with the counter dials of the machine, and any necessary corrections shall then and there be made by the judges, after which the doors or other cover of the voting machine shall be closed and locked and the return sheet shall be signed by each of the judges of election. If any judge shall decline to sign such return, he shall state his reason therefor in writing, and a copy thereof, signed by him, shall be enclosed with such return. Each of the return sheets shall be enclosed in an envelope, which shall be securely sealed, and each of the judges shall write his name across the fold of the envelope. One (1) of the quadruplicate return sheets, along with the general return sheet and precinct list, shall be directed to the county board of elections of the county in which the election is being held, one (1) to the county clerk of the county in which the election is being held and one (1) to the local governing body of each of the two (2) dominant political parties. Said envelope shall have endorsed thereon a certificate of the election officers, stating the number of the machine, the precinct where it has been used, the number on the seal, and the number on the protective or accumulative counter or device at the close of the polls. Following the tabulation of all votes cast in the election, including absentee votes, the county board shall immediately mail the tabulation result, the general return sheets and the precinct lists from each precinct to the state board of elections.

(5) As soon as possible after the completion of the count, the election officers shall return to the county board of elections the keys to the voting machine received and receipted for by them, and the county clerk in which the precinct is located shall have the voting machine properly boxed or securely covered and removed to a proper and secure place of storage.

(6) In primary elections, each candidate or group of candidates may designate to the county board of elections a representative to witness and check the vote count. In regular elections, the governing authority of each political party, each candidate for member of board of education, independent candidate or independent ticket may designate a representative to the county board of elections to witness and check the vote count. The county board of elections shall authorize representatives of the news media to observe the taking of the tally of votes from the voting machine in each precinct in each primary, regular or special election.

(7) If supplemental paper ballots have been approved, as provided in KRS 118.215, after the polls are closed, the precinct election officials shall stamp "Unused" on all supplemental paper ballots not used. The election officers shall string all used ballots' stubs upon a string provided for that purpose, and the stubs shall be placed in an envelope. The sheriff and the judge from the opposite political party from the sheriff shall return to the county clerk's office the locked ballot box, all ballot stubs, spoiled ballots and unused ballots at the same time as the tabulation of votes from the voting machine is delivered. The county clerk shall issue a receipt for the number of ballot stubs, unused ballots, spoiled ballots and the ballot box. The county board of elections, or its designee, shall count and tally the paper ballots manually or with the use of tabulating equipment which does not involve an additional voting system. The results of the vote tally shall be certified by the county board of elections to the county clerk and to the secretary of state. The county board of elections shall authorize the candidates or their representatives and representatives of the news media to be present during the counting of the paper ballots. The county clerk shall retain the paper ballots for sixty (60) days, after which time they shall be burned by the county board of elections if no contest or recount action has been filed.

Section 15. KRS 117.383 is amended to read as follows:

The state board of elections shall prescribe rules and regulations which shall include but not be limited to the following:

(1) Achieve and maintain the maximum degree of correctness, impartiality, and efficiency of the procedures of voting;

(2) Count, tabulate, and record votes;

(3) Establish a method for placing items on the electronic voting device, which shall, as closely as possible, follow the requirements pertaining to ballot labels;

(4) Design the ballot cards, including a numerical system to insure an accurate record of all voting activities;

(5) Instruct voters in the use of the voting device;

(6) Provide for checking the accuracy of the equipment;

(7) Provide necessary supplies, including those necessary for a write-in vote and secrecy envelopes for punch cards or data processing cards to insure voter privacy;

(8) As part of the official canvass, provide for a manual recount of randomly selected precincts representing 3%-5% of the total ballots cast in each election;

(9) Provide a method for maintaining sufficient documents and records so that votes can be recounted. Such documents and records shall include any material other than a ballot card which is imprinted with the names of candidates and issues voted upon. Records shall be maintained in such a manner that a specific piece of printed material listing issues and candidates can be matched with the specific ballot cards which were marked in reliance upon such printed material. Such documents and records shall be maintained for *thirty (30)* [~~fifteen (15)~~] days following an election.

Section 16. KRS 118.105 is amended to read as follows:

(1) Except as provided in subsections (3) and (4) of this section and in KRS 118.115 *and 118.325*, every political party shall nominate all of its candidates for elective offices to be voted for at any regular election at a primary election held as provided in this chapter, and the governing authority of any political party shall have no power to nominate any candidate for any elective office or to provide any method of nominating candidates for any elective office other than by primary elections as provided in this chapter.

(2) Any political organization not constituting a political party as defined in KRS 118.015 may make its nominations as provided in KRS 118.325.

(3) If a vacancy occurs in the nomination of an unopposed candidate or in a nomination made by the primary before the ballots are printed for the regular election, the governing authority of the party may provide for filling the vacancy. When such a nomination has been made, the certificate of nomination shall be signed by the chairman and secretary of the governing authority of the party making it, and shall be filed in the same manner as certificates of nomination at a primary election.

(4) This section does not apply to candidates for members of boards of education, members of the legislative bodies of cities of the fifth or sixth class, or presidential electors, nor to candidates for mayor or commissioner in cities of the fourth class operating under the commission form of government and in cities of the second, third or fourth class operating under the city manager form of government.

Section 17. KRS 118.115 is amended to read as follows:

Candidates for unexpired terms to be filled at a regular election shall be nominated at the primary next preceding the regular election, if the vacancy occurred not less than *one hundred (100)* [~~seventy (70)~~] days before the primary. If the vacancy occurred less than *one hundred (100)* [~~seventy (70)~~] days before the primary, the nomination shall be made in a manner determined by the governing authority of the political party concerned. In the preparation of ballots, candidates for full terms shall be grouped together, and candidates for unexpired terms shall be grouped together, under appropriate headings, so that the voter may easily distinguish the candidates for full terms from the candidates for unexpired terms.

Section 18. KRS 118.165 is amended to read as follows:

(1) Candidates for offices to be voted for by the electors of one county or of a district less than one county, except members of congress and members of the general assembly, shall file their nomination papers with the county clerk of the county not less than ninety (90) days before the day fixed by law for holding the primary election. Candidates for all state offices *to be voted for by the electors of more than one county, and for members of congress and members of the general assembly,* shall file their nomination papers with the secretary of state not less than ninety (90) days before the day fixed by law for holding the primary election.

(2) The secretary of state or the county clerk shall examine the notification and declaration form of each candidate. The proper officer shall notify the candidate by regular mail within twenty-four (24) hours of filing that his papers have been certified. If there is an error the officer shall notify the candidate by certified mail within twenty-four (24) hours of filing. Upon receipt of such notice, the candidate shall correct such error not later than seventy-two (72) hours after the filing deadline.

Section 19. KRS 118.212 is amended to read as follows:

[~~(1)~~] If, *three (3) days* before the time of certification provided in KRS 118.215, any candidate whose certificate or petition of nomination has been filed in the office of the secretary of state *or of a county clerk,* notifies the *official with whom he filed* [~~secretary of state~~] in writing, signed and properly notarized that he will not accept the nomination, the secretary of state shall not certify his name, *and the county clerk shall not cause his name to be printed on the ballot.*

[~~(2) If, before the ballots are printed, any candidate whose certificate or petition of nomination has been filed in the office of the county clerk notifies the clerk, in the manner described in subsection (1) of this section, that he will not accept the nomination, the clerk shall not cause his name to be printed on the ballot.~~]

Section 20. KRS 118.215 is amended to read as follows:

(1) Not less than *seventy-five (75)* [~~forty-five (45)~~] days before a primary [~~or regular~~] election *or forty-five (45) days before a regular election* is to be held, and after the order of the names has been determined as provided in KRS 118.225, the secretary of state shall certify, to the county clerks of the respective counties entitled to participate in the nomination or election of the respective candidates, the name, place of residence and party of each candidate for each office, as specified in the nomination papers or certificates and petitions of nomination filed with him, and shall designate the device *with* [~~under~~] which the candidate groups or lists of candidates of each party shall be printed, in the order in which they are to appear on the ballot, with precedence to be given to the party that polled the highest number of votes at the preceding election for presidential electors, followed by the political party which received the second highest number of votes with the order of any other political parties and independents to be determined by lot. Candidates for county offices and local state offices shall be listed in the following order: commonwealth's attorney, circuit clerk, property valuation administrator, county judge/executive, county attorney, county clerk, sheriff, jailer, county commissioner, coroner, justice of the peace and constable. The names of candidates for president and vice president shall be certified in lieu of certifying the names of the candidates for presidential electors.

(2) All independent candidates whose nominating petitions are filed with the county clerk shall be *designated by* [~~listed under~~] the word "independent," *and shall be placed on the ballot* in [~~one~~] *a separate* column *or columns or in a separate line or lines* according to the office which they seek. The order in which independent candidates shall appear on the ballot shall be determined by lot by the county clerk. If the same device is selected by two groups of petitioners, it shall be given to the first selecting it and the county clerk shall permit the other group to select a suitable device. This section does not apply to candidates for municipal offices which comes under subsection (3) of this section.

(3) The ballots used at any election in which city officers are to be elected as provided in subsection (2) of this section shall contain the names of candidates for such city offices grouped according to the offices they seek, and such candidates shall be immediately arranged *with and designated by* [~~under and beneath~~] the title of office such candidates seek. The order in which the names of the candidates for each office are to be printed on the ballot shall be determined by lot. Each group of candidates for each separate office for which such candidates are to be elected shall be *clearly* separated from *other* [~~the preceding or succeeding~~] groups *on* [~~by a line transversing~~] the [~~entire~~] ballot and spaced so as to avoid confusion on the part of the voter.

(4) The secretary of state shall not knowingly certify to the county clerk of any county the name of any candidate who has not filed the required nomination papers, nor knowingly fail to certify the name of any candidate who has filed the required nomination papers.

(5) If the county clerk determines that the number of certified candidates cannot be placed on a ballot which can be accommodated by the voting machines currently in use by the county, he shall so notify the state board of elections not less than 35 days before the primary or general election. The state board of elections shall meet within 5 days of such notice, review the ballot conditions and determine whether or not supplemental paper ballots are necessary for the election. Upon approval of the state board of elections, supplemental paper ballots may be used for nonpartisan candidates for an office or offices and public questions submitted for a yes or no vote, provided that all candidates for any particular office shall be placed either on the machine ballot or on the paper ballot.

(6) The ballot position of a candidate shall not be changed after the ballot position has been designated by the county clerk.

Section 21. KRS 118.225 is amended to read as follows:

(1) For the purpose of determining the order in which the names of candidates to be voted for by the electors of the entire state shall be certified and printed on the ballots *with* [~~under~~] the designation of the respective offices, the secretary of state shall prepare lists of the counties of each congressional district of the state. He shall then arrange the surnames of all candidates for each office in alphabetical order for the first congressional district, and the names shall be certified in this order to the county clerks of all the counties comprising that district. For each succeeding congressional district, taken in numerical order, the name appearing first for each office in the last preceding district shall be placed last, and the name appearing second in the last preceding district shall be placed first, and each other name shall be moved up one (1) place. The lists shall be certified accordingly.

(2) For all other offices for which nomination papers and petitions are filed with the secretary of state, the order of names of candidates for each office shall be determined by lot at a public drawing to be held in the office of the secretary of state at 2:00 p.m., standard time, *eighty-eight (88)* [~~fifty-three (53)~~] days before the primary [~~or general~~] election *or fifty-three (53) days before the general election.*

(3) For all offices for which nomination papers and petitions are filed in the office of the county clerk, the order in which the names of candidates for each office are to be printed on the ballot shall be determined by lot at a public drawing in the office of the county clerk at 2:00 p.m., standard time, *eighty-eight (88)* [~~fifty-three (53)~~] days before the primary [~~or general~~] election *or fifty-three (53) days before the general election.*

(4) If the number of certified candidates cannot be placed on a ballot which can be accommodated on voting machines currently in use in the county, the county clerk shall notify the state board of elections, as provided in KRS 118.215.

Section 22. KRS 118.245 is amended to read as follows:

The candidate receiving the highest number of votes in a primary election for the office for which he is a candidate shall be the nominee of his party for that office and shall receive the certificate of nomination. If two (2) or more persons are found to have received the highest and an equal number of votes for nomination to the same office, the election shall be determined by lot in such manner as the board directs, in the presence of not less than three (3) other persons. [~~This section does not apply to presidential primaries.~~]

Section 23. KRS 118.315 is amended to read as follows:

(1) A candidate for any office to be voted for at any regular election may be nominated by a petition of electors qualified to vote for him, complying with the provision of subsection (2) of this section.

(2) A petition of nomination for a state officer, or any officer for whom all the electors of the state are entitled to vote, shall contain five thousand (5,000) petitioners; for a representative in congress from any congressional district, or for any officer from any other district except as herein provided, four hundred (400) petitioners; for a county officer or member of the general assembly, one hundred (100) petitioners; for a soil and water conservation district supervisor, twenty-five (25) petitioners; for an officer of a precinct or ward, or other division less than a county except as herein provided, twenty (20) petitioners. The signatures of the petition need not be appended to one (1) paper. No petitioner shall be counted unless his residence, social security number and post-office address are designated. If any person joins in nominating, by petition, more than one (1) nominee for any office to be filled, he shall be counted as a petitioner for the candidate whose petition is filed first, except a petitioner for the nomination of candidates for soil and water conservation district supervisors may be counted for every petition to which his signature is affixed. The petition shall state the name and residence of each of the candidates, the name of the office for which he is running, the district, if applicable, from which he is running, that he is legally qualified to hold the office, and that the subscribers desire, and are legally qualified, to vote for the candidate. The petition shall designate a brief name or title of the party or principle that the candidate represents, together with any simple figure or device by which it is desired that he be designated on the voting machines. This does not apply to municipal and school board races.

(3) A majority of the petitioners for a nominee designated under this section may fill a vacancy which occurs in such nomination. The petitioners for offices to be voted for by the electors of one county or of a district less than one county, except members of congress and the general assembly, shall give notice of the replacement candidate to the county clerk before the ballot for the regular election has been printed. The petitioners for state office and for congress and the general assembly, shall give notice of the replacement candidate to the secretary of state before the ballot or ballot labels are printed. Such notice shall be a written statement which shall include the name and residence of the candidate, the name of the office for which he is a candidate, and a statement that the candidate is legally qualified to hold the office. The notice shall be signed by two (2) of the petitioners, who shall be designated by a majority of the petitioners.

(4) Titles, ranks or spurious phrases shall not be accepted on the filing papers and shall not be printed on the ballots as part of the candidate's name; however, nicknames, initials and contractions of given names may be accepted as the candidate's name.

(5) The secretary of state shall examine the petitions of all candidates for state office, congress, and the general assembly. The county clerk shall examine the petitions of all candidates for offices to be voted for by the electors of one county or of a district less than one county, except members of congress and members of the general assembly. If there is an error, the secretary of state or the county clerk shall notify the candidate by certified mail within twenty-four (24) hours of filing. Upon receipt of such notice, the candidate shall correct such error not later than seventy-two (72) hours after the filing deadline.

(6)[~~(4)~~] The state board of elections shall prescribe the forms for the petition.

Section 24. KRS 118.345 is amended to read as follows:

(1) No candidate who has been defeated for the nomination for any office in a primary election shall have his name placed on voting machines *or shall register as a write-in candidate* in the succeeding regular election as a candidate for the same office for the nomination to which he was a candidate in the primary election, except that if a vacancy occurs in the party nomination for which he was a candidate in the primary election his name may be placed on voting machines for the regular election as a candidate of that party if he has been duly made such party nominee after the vacancy occurs as provided in KRS 118.105.

(2) No person who was a candidate for nomination for any office in a primary election and who, before the succeeding regular election, is declared by the judgment of any court of competent jurisdiction to have violated, in the primary election, any provision of KRS chapter 121, or to be responsible for such violation by others, shall have his name placed on voting machines *or shall register as a write-in candidate* for any office to be voted for in the succeeding regular election.

[~~(3) This section does not apply to presidential preference primary candidates.~~]

Section 25. KRS 118.375 is amended to read as follows:

Where a vacancy occurs in any elective office less than *one hundred (100)* [~~seventy (70)~~] days before the primary or at any time after the primary, but not less than three (3) months before the general election, independent candidates may file their petitions at the time and place provided for in KRS 118.365.

Section 26. KRS 118A.060 is amended to read as follows:

(1) Except as provided in KRS 118A.100 and 118A.110, no person's name shall appear on a ballot label or special ballot for an office of the Court of Justice without first having been nominated as provided in this section.

(2) Each candidate for nomination shall file a petition for nomination with the secretary of state not less than *ninety (90)* [~~fifty-five (55)~~] days before the day fixed by law for holding the primary election.

(3) The petition for nomination shall state the name and residence of the candidate and shall describe, by district or circuit, and by numbered division thereof if divisions exist, the office for which he seeks nomination. It shall be signed by him and by not less than two (2) registered voters from the district or circuit from which he seeks nomination. The petition shall be in the form prescribed by the state board of elections. Titles, ranks or spurious phrases shall not be accepted on the petition and shall not be printed on the ballots as part of the candidate's name; however, nicknames, initials and contractions of given names may be acceptable as the candidate's name.

(4) *The secretary of state shall examine the petition of each candidate. If there is an error, the secretary of state shall notify the candidate by certified mail within twenty-four (24) hours of filing. Upon receipt of such notice, the candidate shall correct such error not later than seventy-two (72) hours after the filing deadline.* The order of names on the ballot for each district or circuit, and numbered division thereof if divisions exist, shall be determined by lot at a public drawing to be held in the office of the secretary of state at 2:00 p.m., standard time, *eighty-eight (88)* [~~fifty-three (53)~~] days before the primary election.

(5) *If, three (3) days before the time of certification provided in subsection (6) of this section, any candidate whose petition of nomination has been filed in the office of the secretary of state, notifies the secretary of state in writing, signed and properly notarized, that he will not accept the nomination, the secretary of state shall not certify his name.*

(6) Not less than *seventy-five (75)* [~~forty-five (45)~~] days before the primary election, and after the order of names on the ballot has been determined as required in subsection (4), the secretary of state shall:

(a) Certify to the county clerks of the respective counties entitled to participate in the election of the various candidates, the name and place of residence of each candidate for each office, by district or circuit, and numbered division thereof if divisions exist, as specified in the petitions for nomination filed with him; and

(b) Designate for the county clerks the office of the Court of Justice *with* [~~under~~] which the names of candidates shall be printed and the order in which they are to appear on the ballot.

(7) The ballot position of a candidate shall not be changed after the ballot position has been designated by the county clerk.

(8)[~~(6)~~] The county clerks of each county shall cause to be printed on the ballot labels for the voting machines and on the special ballots for the primary the names of the candidates for offices in the Court of Justice.

(9)[~~(7)~~] The names of the candidates shall be placed on the voting machine in a separate column or *columns or in a separate* line *or lines and identified* [~~headed or preceded~~] by the words "Judicial Ballot." [~~Above the names of candidates for nomination shall be printed~~] The words "Vote for one," or "Vote for one in each division," *shall be printed on the ballot in an* [~~as~~] appropriate *location*. The office, numbered division thereof if divisions exist, and the candidates therefor shall be clearly labelled. No party designation or emblem of any kind, nor any sign indicating any candidate's political belief or party affiliation, shall be used on voting machines or special ballots.

(10)[~~(8)~~] The two (2) candidates receiving the highest number of votes for nomination for justice or judge of a district or circuit, or numbered division thereof if divisions exist, shall be nominated. Certificates of nomination shall be issued as provided in KRS 118A.190.

(11) A majority of the petitioners for a nominee designated under this section may fill a vacancy which occurs in such nomination. The petitioners shall give notice of the replacement candidate to the secretary of state before the ballot or ballot labels are printed. Such notice shall be a written statement which shall include the name and residence of the candidate, the name of the office for which he is a candidate, and a statement that the candidate is legally qualified to hold the office. The notice shall be signed by two (2) of the petitioners, who shall be designated by a majority of the petitioners.

(12)[~~(9)~~] If it appears after expiration of the time for filing petitions for nomination that there are not more than two (2) candidates who have filed the necessary petitions for a place on the ballot in the regular election, the secretary of state shall immediately issue and file in his office certificates of nomination, and send copies to the candidates.

Section 27. KRS 118A.090 is amended to read as follows:

(1) For the regular election, the order of names on the ballot for each district or circuit, and numbered division thereof if divisions exist, shall be determined by lot at a public drawing to be held in the

office of the secretary of state at 2:00 p.m., standard time, fifty-three (53) days before the regular election.

(2) *If, three (3) days before the time of certification provided in subsection (3) of this section, any candidate whose certificate of nomination has been filed in the office of the secretary of state, notifies the secretary of state in writing, signed and properly notarized, that he will not accept the nomination, the secretary of state shall not certify his name.*

(3) Not less than forty-five (45) days before the regular election, and after the order of names on the ballot has been determined as required in subsection (1), the secretary of state shall:

(a) Certify to the county clerks of the respective counties entitled to participate in the election of the various candidates, the name and place of residence of each candidate for each office, by district or circuit, and numbered division thereof if divisions exist, as certified under KRS 118A.060; and

(b) Designate for the county clerks the office of the Court of Justice *with* [~~under~~] which the names of candidates shall be printed and the order in which they are to appear on the ballot.

(4)[~~(3)~~] *The ballot position of a candidate shall not be changed after the ballot position has been designated by the county clerk.* The county clerks of each county shall cause to be printed on the ballot labels for the voting machines and on the special ballots for the regular elections the names of the candidates for offices of the Court of Justice.

(5)[~~(4)~~] The names of the candidates shall be placed on the voting machine in a separate column or *columns or in a separate* line *or lines and identified* [~~headed or preceded~~] by the words "Judicial Ballot," and in such a manner that the casting of a vote for all of the candidates of a political party will not operate to cast a vote for judicial candidates. [~~Above the names of the candidates shall be printed~~] The words "Vote for one" or "Vote for one in each division," *shall be printed on the ballot in an* [~~as~~] appropriate *location.* The office, numbered division thereof if divisions exist, and the candidates therefor shall be clearly labelled. No party designation or emblem of any kind, nor any sign indicating any candidate's political belief or party affiliation, shall be used on voting machines or special ballots.

(6)[~~(5)~~] The candidate receiving the highest number of votes cast at the regular election for a district or circuit, or for a numbered division thereof if divisions exist, shall be elected.

Section 28. KRS 118A.100 is amended to read as follows:

(1) Candidates for an unexpired term of a judicial office to be filled at a regular election shall be nominated at the primary next preceding the regular election in the manner prescribed in KRS 118A.060 if the vacancy occurs not less than *one hundred (100)* [~~seventy (70)~~] days before the primary. If the vacancy occurs on or after the *one hundredth* [~~seventieth~~] day before the primary, the election to fill the unexpired term shall be held in accordance with the procedures described in this section and section 152 of the Constitution of Kentucky.

(2) If in a regular election for judicial office no candidates nominated as provided in KRS 118A.060 are available due to death, incapacity or withdrawal, *and such candidates have not been replaced as provided in KRS 118A.060,* the election to fill the regular term shall be conducted in the manner prescribed in subsections (3) through *(10)* [~~(9)~~] of this section.

(3) Each candidate shall file a petition for candidacy with the secretary of state at least fifty-five (55) days before the day fixed by law for holding the regular election.

(4) The petition for candidacy shall state the name and residence of the candidate and shall describe by district or circuit, and numbered division thereof if divisions exist, the judicial office for which he seeks election. It shall be signed by him and not less than two (2) registered voters from the district or circuit from which he seeks candidacy. The petition shall be in the form prescribed by the state board of elections. Titles, ranks or spurious phrases shall not be accepted on the petition and shall not be printed on the ballots as part of the candidate's name; however, nicknames, initials and contractions of given names may be acceptable as the candidate's name.

(5) *The secretary of state shall examine the petition of each candidate. If there is an error, the secretary of state shall notify the candidate by certified mail within twenty-four (24) hours of filing. Upon receipt of such notice, the candidate shall correct such error not later than seventy-two (72) hours after the filing deadline.*

(6) The order of names on the ballot for each district or circuit, and numbered division thereof if divisions exist, shall be determined by lot at a public drawing to be held in the office of the secretary of state at 2:00 p.m., standard time, fifty-three (53) days before the regular election.

(7) If, three (3) days before the time of certification provided in subsection (8) of this section, any candidate whose petition for candidacy has been filed in the office of the secretary of state, notifies the secretary of state in writing, signed and properly notarized, that he will not accept the nomination, the secretary of state shall not certify his name.

(8)[~~(6)~~] Not less than forty-five (45) days before the regular election, and after the order of names on the ballot has been determined as required in subsection *(6)* [~~(5)~~], the secretary of state shall:

(a) Certify to the county clerks of the respective counties entitled to participate in the election of the various candidates, the name and place of residence of each candidate for each office, by district or circuit, and numbered division thereof if divisions exist, as specified in the petitions for candidacy filed with him; and

(b) Designate for the county clerks the office of the Court of Justice *with* [~~under~~] which the names of candidates shall be printed and the order in which they are to appear on the ballot.

(9) The ballot position of a candidate shall not be changed after the ballot position has been designated by the county clerk.

(10)[~~(7)~~] The county clerks of each county shall cause to be printed on the ballot labels for the voting machines and on the special ballots for the regular election the names of the candidates for offices of the Court of Justice.

(11)[~~(8)~~] The names of the candidates shall be placed on the voting machine in a separate column or *columns or in a separate* line *or lines and identified* [~~headed or preceded~~] by the words "Judicial Ballot," and in such a manner that the casting of a vote for all of the candidates of a political party will not operate to cast a vote for judicial candidates. [~~Above the names of the candidates shall be printed~~] The words "Vote for one" or "Vote for one in each division," *shall be printed on the* [~~as~~] appropriate *location*. The office, numbered division thereof if divisions exist, and the candidates therefor shall be clearly labelled. No party designation or emblem of any kind, nor any sign indicating any candidate's political belief or party affiliation, shall be used on voting machines or special ballots.

(12)[~~(9)~~] The candidate receiving the highest number of votes cast at the regular election for a district or circuit, or for a numbered division thereof if divisions exist, shall be elected.

Section 29. KRS 118A.110 is amended to read as follows:

The initial election of judges to the Court of Appeals shall be conducted in the regular election of 1976 without a primary election and in the manner prescribed in subsections (3) through *(12)* [~~(9)~~] of KRS 118A.100.

Section 30. KRS 118A.130 is amended to read as follows:

(1) No judicial candidate's name shall appear on any voting machine or special ballot more than once.

(2) No judicial candidate whose name appears on any voting machine or special ballot shall register as a write-in candidate, nor shall a candidate who has been defeated for the nomination for any judicial office in a primary election register as a write-in candidate in the succeeding regular election as a candidate for the same office for the nomination to which he was a candidate in the primary election.

Section 31. KRS 262.240 is amended to read as follows:

(1) A supervisor's term begins on January 1 following his election. The two (2) supervisors elected in the general election of 1974 shall be elected for a term of two (2) years. In 1976 a general election shall be conducted for seven (7) supervisors. The four (4) supervisors elected with the highest number of votes in the general election of 1976 shall serve for four (4) years; the other three (3) supervisors elected in 1976 shall serve for two (2) years. In the event only seven (7) nominating petitions for supervisors are filed, the commission shall declare the nominees elected without an election, and shall name four (4) of the nominees to serve terms of four (4) years, and three (3) to serve terms of two (2) years. Thereafter supervisors shall be elected for four (4) years as their terms expire. Nominating petitions for supervisors shall be filed with the county clerk not less than fifty-five (55) days prior to the day of the election. No such nominating petition shall be accepted by the clerk unless it is signed by twenty-five (25) or more qualified resident voters of the district. Qualified resident voters may sign more than one (1) nominating petition to nominate more than one (1) candidate for supervisor. In the event nominating petitions for only the number of supervisors to be elected are filed, the commission shall declare the nominees elected without holding an election. *The county clerk shall examine the petition of each candidate. If there is an error, the county clerk shall notify the candidate by certified mail within twenty-four (24) hours of filing. Upon receipt of such notice, the candidate shall correct such error not later than seventy-two (72) hours after the filing deadline.*

(2) A supervisor shall hold office until his successor has been elected and has qualified. Vacancies shall be filled for the unexpired term by appointment by the commission.

(3) A supervisor may be reimbursed for expenses necessarily incurred in the discharge of his duties and may be paid a per diem for attending meetings or otherwise discharging the obligations of his office.

(4) A supervisor shall be a resident of the county or district in which he serves as a supervisor, and upon moving from the county or district, the supervisor shall be ineligible to serve as a supervisor and his office shall be vacant.

(5) A supervisor who has been declared elected without an election pursuant to subsection (1) of this section may be removed from office by the commission in the same manner as provided by KRS 65.007 for removal of an appointed member of the governing body of a special district.

Section 32. The following KRS sections are repealed:

116.127 Purge in counties containing a city of the first class biennially -- Procedure.
117.405 Definitions.
117.415 Powers and duties of commission as to voting machines.
117.425 Financing of voting machine projects.
117.435 Procedure for acquiring machines.

117.445 Negotiable and tax-free character of bonds -- Source of payment.
117.455 Ways in which money received may be used.
117.465 Sinking fund reserve.
117.475 Separate bond issue -- Procedure for two or more counties.
117.485 Action after termination of lease.
117.495 One or more separate bond issues for same county.
117.505 Bondholder's right to proceed.
117.515 Refunding bonds.
117.525 Additional and alternate character of provisions as to acquisition of voting machines.

Section 33. Whereas, the date for holding the primary election is the fourth Tuesday in August, beginning in 1984, and this Act requires candidates to file ninety (90) days before the date of such primary election, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

The Committee Substitute to **HB 60** is as follows:

HB 60, AN ACT relating to elections.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 118 IS CREATED TO READ AS FOLLOWS:

Each county clerk and the secretary of state shall keep a book in which he shall enter certain information concerning candidates to be chosen by convention. Such book shall include the name, place of residence, office for which the person is a candidate, party designation, and the date of the receipt of the form required to be filed by KRS 118.325(3). Such book shall be a public record.

SECTION 2. A NEW SECTION OF KRS CHAPTER 118 IS CREATED TO READ AS FOLLOWS:

(1) In addition to possessing all other qualifications, any person desiring to become a write-in candidate in a general election for offices to be voted for by the electors of one (1) county or of a district less than one (1) county, except members of congress and members of the general assembly, and in which a vacancy has not occurred, shall file a registration paper with the county clerk not later than ninety (90) days prior to the primary election date. Any person desiring to become a write-in candidate in a general election for an office to be voted for by the electors of more than one (1) county, or for members of congress and members of the general assembly, and in which a vacancy has not occurred, shall file a registration paper with the secretary of state not later than ninety (90) days prior to the primary election date.

(2) Such registration paper shall be filed with the official designated in subsection (1) of this section by a person desiring to become a write-in candidate at a special election not later than the date provided in the election law generally for candidates to file such nomination papers prior to such special election. Such registration paper shall be filed with the official designated in subsection (1) of this section not later than seventy (70) days prior to the general election by a person desiring to become a write-in candidate for an office in which a vacancy has occurred in a nomination to the office or vacancy has occurred in the office less than the number of days prior to a primary as provided in KRS 118.375 and prior to seventy (70) days before the general election.

(3) The registration paper to be filed by the candidate shall be signed statement by him to include his name, place of residence, date of birth, the office which he seeks, and a statement of qualifications. When the law mandates that a candidate shall possess the qualifications required for the office on the date of the election, such statement shall include a statement that the candidate shall meet such qualifications. When the law mandates that a candidate shall possess the qualifications required for the office on the date he shall assume the office, such statement shall include a statement that the candidate shall meet such qualifications. The registration paper shall be in the form prescribed by the state board of elections.

(4) Write-in candidates shall be required to pay a filing fee.

(5) The secretary of state shall notify the county clerk in each county in which there will appear on the ballot an office for which a write-in candidate has registered with the secretary of state. Such notice shall be made by certified mail not later than seven (7) days before the date of the election.

SECTION 3. A NEW SECTION OF KRS CHAPTER 118A IS CREATED TO READ AS FOLLOWS:

In addition to possessing all other qualifications, any person desiring to become a write-in candidate in a general election for an office of the court of justice in which a vacancy has not occurred, shall file a registration paper with the secretary of state not later than ninety (90) days prior to the primary election date.

(2) Such registration paper shall be filed by a person desiring to become a write-in candidate at a special election not later than the date provided in the election law generally for candidates to file such nomination papers prior to such special election. Such registration paper shall be filed not later than seventy (70) days prior to the general election by a person desiring to become a write-in candidate for an office in which a vacancy has occurred in a nomination to the office, or a vacancy has occurred in the office less than the number of days prior to a primary as provided in KRS 118A.100(1) and prior to seventy (70) days before the general election.

(3) The registration paper to be filed by the candidate shall be a signed statement by him to include his name, place of residence, date of birth, the office which he seeks, and a statement that on the date he shall assume office he shall possess the required qualifications for the office he seeks. The registration paper shall be in the form prescribed by the state board of elections.

(4) Write-in candidates shall be required to pay a filing fee.

(5) The secretary of state shall notify the county clerk in each county in which there will appear on the ballot an office for which a write-in candidate has registered with the secretary of state. Such notice shall be made by certified mail not later than seven (7) days before the date of the election.

Section 4. KRS 118.305 is amended to read as follows:

(1) Except as provided in KRS 118.345, and subject to the provisions of subsections (2) and (3) of this section, the county clerk of each county shall cause to be printed for the voting machines and on the special ballots for the regular election the names of the following persons:

(a) Candidates of a political party, as defined in KRS 118.015, who have received certificates of nomination at the preceding primary election, or certificates of nomination under KRS 118.185, and whose certificates of nomination have been filed with the secretary of state or the appropriate county clerk.

(b) Candidates of a political party, as defined in KRS 118.015, who have been nominated for an unexpired term in a manner determined by the governing authority of the party, as provided in KRS 118.115, and whose evidences of nomination have been filed with the secretary of state or the appropriate county clerk within the time prescribed in this chapter.

(c) Candidates of a political party, as defined in KRS 118.015, who have been nominated by the governing authority of the party to fill a vacancy in the candidacy of a person nominated at the preceding primary election, as provided in KRS 118.105, and whose certificates of nomination have been filed with the secretary of state or the appropriate county clerk *not later than seventy (70) days prior to a general* [~~, at least fifty-five (55) days before the regular~~] election.

(d) Candidates who have been nominated by a political organization as provided in KRS 118.325 and whose certificates or petitions of nomination have been filed with the secretary of state or the appropriate county clerk within the time prescribed in this chapter.

(e) Independent candidates who have been nominated by petition as provided in KRS 118.315, and whose petitions of nomination have been filed with the secretary of state or the appropriate county clerk within the time prescribed in this chapter.

(f) Where a vacancy in a candidacy occasioned by the death, removal or resignation of a candidate before the election and after the ballot labels have been prepared is filled by the chairman of the state, district or county political organization as provided by law, the chairman shall furnish to the county clerk a sufficient number of printed ballot labels bearing the name of the new candidate to replace those bearing the name of the candidate with respect to which the vacancy has occurred. If such ballot labels are furnished to the clerk before the machines are delivered to the election precincts, the clerk shall cause them to be inserted in the proper ballot frames. If they are furnished after the machines have been delivered to the election precincts, the county clerk shall cause the ballot labels to be delivered to the clerk of each precinct, with directions as to insertion in the proper ballot frames.

(g) Candidates for president and vice-president of the United States, of those political parties and organizations who have nominated presidential electors as provided in KRS 118.325, where the certificate of nomination of such electors has been filed with the secretary of state within the time prescribed in this chapter.

(h) Candidates for soil and water district supervisors who have been nominated by petition as provided in KRS 262.210.

(2) Candidates for members of boards of education shall have their names printed on ballot labels and special ballots for the regular election only after filing as provided in KRS 160.220.

(3) Except as provided in KRS 118.105 and 118.115, the name of no candidate shall be printed upon the ballot labels and special ballots for any regular election as the nominee of any political party, as defined in KRS 118.015, or under the emblem of any political party, as so defined, except those candidates who have been duly and regularly nominated as nominees of that party at a primary election held as provided in this chapter.

(4) No county clerk shall knowingly cause to be printed, upon the ballot labels or special ballot for any regular election, the name of any candidate of a political party, as defined in KRS 118.015, who has not been nominated in the manner provided in the primary election laws.

(5) The names of candidates for president and vice-president shall be certified in lieu of certifying the names of the candidates for presidential electors.

(6) Whenever a vacancy occurs in an elective office which is required by law to be filled temporarily by appointment, the officer or body designated by law to make the appointment, or in the case of an office to be filled by appointment from a list of nominations, the officer or body designated by law to make the nominations, shall immediately notify in writing both the county clerk and secretary of state of the vacancy.

Section 5. KRS 118.325 is amended to read as follows:

(1) Any political organization not constituting a political party within the meaning of KRS 118.015 but which cast two percent (2%) of the vote of the state at the last preceding election for presidential electors may nominate, by a convention or primary election held by the party in accordance with its constitution and bylaws, candidates for any offices to be voted for at any regular election, except the office of member of a board of education, for which nominations shall be made as provided in KRS 160.220. Any political party, as defined in KRS 118.015, may nominate candidates for members of the legislative bodies of cities of the fifth and sixth classes in the same manner. Any political party, as defined in KRS 118.015, and any political organization not constituting such a political party but which cast two percent (2%) of the vote of the state at the last preceding election for presidential electors, may nominate, by a convention or primary election held by the party or organization in accordance with its constitution and bylaws, as many electors of president and vice president of the United States as this state is entitled to elect.

(2) The certificate of nomination by such a convention or primary election shall be in writing, shall contain the name of each person nominated, his residence and the office to which he is nominated, and shall designate a title for the party or principle that such convention or primary election represents, together with any simple figure or device by which its list of candidates may be designated on the voting machines. The certificate shall be signed by the presiding officer and secretary of the convention, or by the chairman and secretary of the county, city or district committee, who shall add to their signatures their respective places of residence, and acknowledge the same before an officer duly authorized to administer oaths. A certificate of the acknowledgment shall be appended to the certificate of nomination. In the case of electors of president and vice president of the United States the certificate of nomination shall state the names of the candidates of the party for president and vice president.

(3) *Any person desiring to become a candidate for an office, the nomination to which is to be made by a convention pursuant to subsections (1) and (2) of this section, except for the office of elector of president and vice-president of the United States, shall file a statement with the official designated in KRS 118.165 with whom notification and declaration forms are filed for the office. The statement shall be prescribed by the state board of elections to be subscribed and sworn to by the person making it, before an officer authorized to administer an oath, such form to include the name, place of residence, and the party and office for which he desires to become a candidate. Such statement shall be subscribed and sworn to by the person making it before an officer authorized to administer an oath. Such statement shall be filed as prescribed by KRS 118.365.*

(4) If the certificate of nomination of any state convention requests that the figure or device selected by such convention be used to designate the candidates of such party on the voting machines for all elections throughout the state, that figure or device shall be used until changed by request of a subsequent state convention of the same party. The device may be any appropriate symbol other than the coat of arms or seal of this state or of the United States, the national flag, or any other emblem common to the people at large.

(5)[~~(4)~~] In case of death, resignation or removal of any such candidate subsequent to nomination and before the ballot labels are printed, the chairman of the state, county or city district committee shall fill the vacancy, unless a supplemental certificate or petition of nomination is filed. In the case of electors of president and vice president of the United States, a vacancy may be filled by the chairman of the state committee at any time before the meeting of the electors, whether the vacancy occurs before or after the election.

(6)[~~(5)~~] If any political party entitled to nominate by convention fails to do so, the names of all nominees by petition for any office who are designated in their petition as members and candidates of that party shall be printed under the device and title on the voting machines as if nominated by a convention. If two (2) or more persons who have filed certificates of nomination under this section claim to be the nominee of the same political party, the governing authority of that party shall designate to the secretary of state and county clerk, in writing, which of the candidates is entitled to the party emblem. If there are two (2) or more contending executive committees of the same party in the county or district, the county or district executive committee that is recognized by the state governing authority of the party, by the written certificate of its chairman, shall be recognized by the secretary of state and county clerk.

Section 6. KRS 118.365 is amended to read as follows:

(1) Certificates of nomination issued by the state board of elections shall be filed by that board with the secretary of state immediately. Such certificates issued by the county board of elections shall be filed by that board with the county clerk immediately.

(2) *Petitions of nomination for candidates to offices which are prohibited from utilizing a primary shall be filed with the county clerk not less than seventy (70) days before the day fixed by law for the holding*

of regular elections.

(3) Statements of candidates for an office, the nomination to which is to be made by a convention pursuant to KRS 118.325(1) and (2), except for the office of electors of president and vice-president of the United States, shall file such statements as are required by KRS 118.325(3), with the official designated in KRS 118.165 with whom notification and declaration are filed for the office, not less than the date provided by the election laws generally for filing notification and declaration forms.

(4) Certificates of nomination made by the governing authority of a *political* party *within the meaning of KRS 118.015 or a political organization not constituting a political party within the meaning of KRS 118.015 but which cast two percent (2%) of the vote of the state at the last preceding election for presidential electors* to fill vacancies in office, as provided in KRS 118.115 *and KRS 118.325, shall*[~~, when required to be filed with the secretary of state,~~] be filed *as required with the secretary of state or county clerk* not less than *seventy (70)* [~~fifty-five (55)~~] days before the day fixed by law for the election of the person in nomination. [~~When required to be filed with the county clerk, they shall be filed not less than fifty-five (55) days before the day fixed by law for the election of the person in nomination.~~]

(5) Petitions of independent candidates to fill a vacancy which has occurred less than the number of days prior to a primary as provided in KRS 118.375 and prior to seventy (70) days before the general election, shall be filed by such petitions not later than seventy (70) days prior to the general election.

(6)[~~(3)~~] Petitions [~~and certificates~~] of nomination *shall*[~~, when required to~~] be filed *as required* with the secretary of state *or county clerk*[~~, shall be filed~~] not less than *ninety (90)* [~~fifty-five (55)~~] days before the day fixed by law for the holding of *primary* [~~regular~~] elections. *Certificates of nomination shall be filed with the secretary of state or county clerk, as required by law, not less than seventy (70) days before the day* [~~When required to be filed with the county clerk, they shall be filed not less than fifty-five (55) days before the day~~] fixed by law for *the* holding of *general* [~~regular~~] elections.

(7)[~~(4)~~] Petitions and certificates of nomination for electors of president and vice president of the United States shall be filed with the secretary of state not less than *seventy (70)* [~~fifty-five (55)~~] days prior to the date fixed by law for the election of such electors.

Section 7. KRS 262.210 is amended to read as follows:

No less than *seventy (70)* [~~fifty-five (55)~~] days before the day fixed by law for holding of regular elections, nominating petitions *shall* [~~may~~] be filed with the clerk of the county in which the district lies to nominate candidates for supervisors of the district. Each nominating petition shall be subscribed by twenty-five (25) or more qualified voters who are residents of the territory to be encompassed by the district. Resident qualified voters may join in nominating by petition more than one candidate for supervisor. The nominating petition shall state the residence and post-office address of each candidate, that he is legally qualified to hold the office, and that the subscribers desire, and are legally qualified, to vote for the candidate. The county clerk shall certify the nomination and election of supervisors to the commission.

Section 8. KRS 262.240 is amended to read as follows:

(1) A supervisor's term begins on January 1 following his election. The two (2) supervisors elected in the general election of 1974 shall be elected for a term of two (2) years. In 1976 a general election shall be conducted for seven (7) supervisors. The four (4) supervisors elected with the highest number of votes in the general election of 1976 shall serve for four (4) years; the other three (3) supervisors elected in 1976 shall serve for two (2) years. In the event only seven (7) nominating petitions for supervisors are filed, the commission shall declare the nominees elected without an election, and shall name four (4) of the nominees to serve terms of four (4) years, and three (3) to serve terms of two (2) years. Thereafter supervisors shall be elected for four (4) years as their terms expire. Nominating petitions for supervisors shall be filed with the county clerk not *later* [~~less~~] than *seventy (70)* [~~fifty-five (55)~~] days prior to the day of the election. No such nominating petition shall be accepted by the clerk unless it is signed by twenty-five (25) or more qualified resident voters of the district. Qualified resident voters may sign more than one (1) nominating petition to nominate more than one (1) candidate for supervisor. In the event nominating petitions for only the number of supervisors to be elected are filed, the commission shall declare the nominees elected without holding an election. *The county clerk shall examine the petition of each candidate to determine whether it is regular on its face. If there is an error, the county clerk shall notify the candidate by certified mail within twenty-four (24) hours of filing. Upon receipt of such notice, the candidate shall correct such error not later than seventy-two (72) hours after the filing deadline.*

(2) A supervisor shall hold office until his successor has been elected and has qualified. Vacancies shall be filled for the unexpired term by appointment by the commission.

(3) A supervisor may be reimbursed for expenses necessarily incurred in the discharge of his duties and may be paid a per diem for attending meetings or otherwise discharging the obligations of his office.

(4) A supervisor shall be a resident of the county or district in which he serves as a supervisor, and upon moving from the county or district, the supervisor shall be ineligible to serve as a supervisor and his office shall be vacant.

(5) A supervisor who has been declared elected without an election pursuant to subsection (1) of this section may be removed from office by the commission in the same manner as provided by KRS 65.007 for

removal of an appointed member of the governing body of a special district.

Section 9. This Act shall become effective January 1, 1985.

HB 864, AN ACT relating to the area development fund.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 42.350 is amended to read as follows:

(1) The area development fund in the state treasury shall be administered by the *department for local government* [~~finance and administration cabinet~~]. The fund may receive state appropriations, gifts, grants and federal funds and shall be disbursed by the state treasurer upon the warrant of the *commissioner of the department for local government* [~~secretary of the finance and administration cabinet~~]. Any unallotted or unencumbered balances in the fund shall be invested in United States government securities maturing not later than one (1) year from the date of investment and the income from such investments shall be prorated for expenditure for capital projects in area development districts according to the formula provided in KRS 42.370.

(2) Money in the fund shall be used only for capital projects which contribute to community or industrial development in the Commonwealth, KRS 45.050 notwithstanding. Capital projects eligible for financing out of the fund include and shall be limited to:

(a) The construction, reconstruction, renovation and maintenance of buildings and other improvements to real estate;

(b) The acquisition of real property and interests in real property;

(c) The purchase of major items of equipment;

(d) Industrial site development projects, including land reclamation, clearing, grading, draining, landscaping, and the construction of walkways and fences;

(e) The extension and installation of water, gas, sewer, and electrical utilities lines to public facilities and industrial sites;

(f) The provision of solid waste management or disposal systems bringing counties into compliance with state or federal law. All expenses incurred in connection with or incidental to the construction or acquisition of a capital project under this section, including architectural, engineering, legal, and other expenses required for such projects may be paid out of the fund. Money in the fund may be used to retire a mortgage or other indebtedness encumbering an eligible capital project made on and after January 1, 1977 to secure the repayment of monies loaned or advanced to finance the construction or acquisition of such project, and may be used in match or in combination with funds obtained from other sources for an eligible capital project. No money shall be expended out of the fund, directly or indirectly, to pay or reimburse the cost of any feasibility study, master plan for any capital improvement development or redevelopment project, the purchase of consumable supplies or any administrative salary, or other operating or capital expense of any area development district, or for the acquisition, construction, reconstruction, renovation or maintenance of any building or property of schools, state institutions of higher learning, or any road, street, bridge or highway.

(3) The board of directors of each area development district shall determine from among the capital project proposals submitted by eligible beneficiary agencies, the capital projects to be proposed to be constructed or acquired out of the fund. The area development districts shall submit to the *commissioner of* [~~secretary of the finance and administration cabinet through~~] the department for local government the capital projects selected for construction or acquisition within the districts. Each project proposal shall include: a detailed description of the project; a statement of the public benefit to be derived from the project; if available, design plans and specifications for the project; an itemized estimate of the cost of the project; a statement of the sources and amounts of funds available from any other source for the construction or acquisition of the project; and such other information relating to the proposed capital project as the department for local government [~~or the finance and administration cabinet~~] may require.

Section 2. KRS 42.355 is amended to read as follows:

(1) The department for local government shall examine each capital project selected by the area development districts, and when it finds that a proposed project conforms to the requirements of KRS 42.350 to 42.370; that the estimated costs of the project are reasonable; that the costs proposed to be paid from the fund are within the amount available; and that the proposed beneficiary agency will be reasonably able to finance the operation and maintain the capital project during its estimated useful life, the commissioner of the department for local government shall *approve it* [~~transmit the project proposal to the secretary of the finance and administration cabinet with a recommendation for approval~~]. If the department for local government determines that a capital project proposal does not conform to the requirements of KRS 42.350 to 42.370, that the estimated costs of the project are excessive or unreasonable in light of the public benefit to

be derived from the project; or; the unencumbered balance in the fund available for expenditure in the area development district is insufficient to pay the costs of the project, or the part thereof proposed to be paid out of the fund, or the beneficiary agency cannot reasonably finance the operation of or maintain the capital project during its estimated useful life, the project proposal shall be disapproved by the department for local government. The final decision to either approve or disapprove any project proposal shall be made no later than forty-five (45) days following official submittal by the area development district, and the area development district shall be accordingly notified at that time.

(2) When the *commissioner of the department for local government* [~~secretary of the finance and administration cabinet~~] has approved a capital project, *he* [~~the finance and administration cabinet~~] shall cause detailed cost estimates, site surveys, appraisals, architectural and engineering designs, and plans and specifications to be prepared, award and enter into contracts, and do all other things necessary and proper for the construction or acquisition of the capital project; provided, however, that the department may, in its discretion, adopt and rely upon detailed cost estimates, site surveys, appraisals, architectural designs and plans and specifications for capital projects prepared for and submitted by the beneficiary agency of the proposed project.

(3) Except when a direct grant for a capital project is made to a beneficiary agency as authorized under subsection (4) of this section, the *department for local government* [~~finance and administration cabinet~~] shall award and administer, or shall delegate to beneficiary agencies, and control, the award and administration of all contracts for the construction or acquisition of all capital projects wholly financed out of the fund, in accordance with the provisions of KRS Chapters 45 and 56. All contracts awarded under this section for the construction, reconstruction or renovation of a building or other improvement to real estate shall be deemed to be contracts for public works within the meaning of KRS 341.317 and KRS Chapter 376 and other applicable laws.

(4) The [~~secretary of the finance and administration cabinet, after consultation with the~~] commissioner of the department for local government[~~,~~] may make direct grants in aid of money out of the fund to any beneficiary agency for the construction or acquisition of any approved capital project, the estimated cost of which does not exceed the greater amount of fifty thousand dollars ($50,000), or one-third (1/3) of the total estimated cost of the project, *except that all allotments to area development districts shall be in the form of direct grants.* When a direct grant in aid has been made to a beneficiary agency, all contracts awarded for the purchase of materials, supplies, equipment or services, except professional and technical services, required for the construction or acquisition of the project shall be awarded to the lowest and best bidder in the discretion of the beneficiary agency after public advertisement as required by KRS Chapter 424 or other applicable law. All beneficiary agencies receiving a direct grant in aid under this subsection shall keep and maintain complete and accurate records of accounts of all expenditures of the grant monies which shall be subject to audit by the Commonwealth for a period of five (5) years after completion of the capital project. Any grant monies not required after all of the costs of the capital project have been paid by the beneficiary agency shall be promptly returned to the Commonwealth for reallocation for expenditure for other capital projects in the area development district to which such funds had been originally allocated.

(5) No capital project shall be constructed under KRS 42.350 to 42.370 except upon land to which (a) the Commonwealth, a political subdivision of the Commonwealth or the beneficiary agency of the capital project has a good and marketable title, free of encumbrances, or (b) the beneficiary agency of the project has the right to the uninterrupted use, occupancy and possession for a period longer than the estimated useful life of the capital project; provided nothing herein shall prohibit the construction or renovation of public buildings on land with an existing encumbrance to secure payment of funds obtained for the acquisition or improvement of said land. Each beneficiary agency shall execute and deliver to the Commonwealth its written assurances, which shall be binding on such agencies' successors and assigns, guaranteeing that during its estimated useful life, the capital project shall be operated and maintained for public purposes and pledging that no mortgage or other encumbrances shall be placed against any capital project wholly financed out of the fund, except industrial development projects, for the breach of which assurances the Commonwealth shall have right of entry to the capital project and the beneficiary agency, or its successors and assigns, shall forthwith convey the title to the capital project to the Commonwealth. Similar assurances shall be executed and delivered to the Commonwealth by the beneficiary agencies of capital projects financed in part out of the fund and in part from other sources, except that when such additional funding is derived from the issuance and sale of revenue bonds or under other statutorily authorized financing methods, to secure the repayment of which funds a statutory mortgage lien is granted in favor of any person or group of persons, the capital project may be encumbered to the extent authorized or required by the law under which such financing method was undertaken; nor shall anything in this section prohibit the encumbrance of any real property located within an industrial park or constituting an industrial site, developed or improved as a capital project under KRS 42.350 and this section, by any person, firm, company, partnership, or corporation to which such property has been conveyed, to obtain financing for the construction upon such property of industrial and commercial buildings. The written assurances provided by beneficiary agencies under this section shall be lodged for recording and recorded in the office of the county clerk of the county in which the proposed

project shall be located.

Section 3. KRS 42.360 is amended to read as follows:

The *commissioner of the department for local government* [~~secretary of the finance and administration cabinet~~] shall promulgate such rules and regulations governing submission and approval of proposed capital projects, the expenditure of moneys from the fund, the designation of beneficiary agencies and the title to capital projects and real property involved in capital projects as shall be appropriate to the implementation of KRS 42.350 and 42.355.

The Committee Substitute to **HB 864** is as follows:

HB 864, AN ACT relating to the area development fund.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 42.350 is amended to read as follows:

(1) The area development fund in the state treasury shall be administered by the *department for local government* [~~finance and administration cabinet~~]. The fund may receive state appropriations, gifts, grants and federal funds and shall be disbursed by the state treasurer upon the warrant of the *commissioner of the department for local government* [~~secretary of the finance and administration cabinet~~]. Any unallotted or unencumbered balances in the fund shall be invested in United States government securities maturing not later than one (1) year from the date of investment and the income from such investments shall be prorated for expenditure for capital projects in area development districts according to the formula provided in KRS 42.370.

(2) Money in the fund shall be used only for capital projects which contribute to community or industrial development in the Commonwealth, KRS 45.050 notwithstanding. Capital projects eligible for financing out of the fund include and shall be limited to:

(a) The construction, reconstruction, renovation and maintenance of buildings and other improvements to real estate;

(b) The acquisition of real property and interests in real property;

(c) The purchase of major items of equipment;

(d) Industrial site development projects, including land reclamation, clearing, grading, draining, landscaping, and the construction of walkways and fences;

(e) The extension and installation of water, gas, sewer, and electrical utilities lines to public facilities and industrial sites;

(f) The provision of solid waste management or disposal systems bringing counties into compliance with state or federal law. All expenses incurred in connection with or incidental to the construction or acquisition of a capital project under this section, including architectural, engineering, legal, and other expenses required for such projects may be paid out of the fund. Money in the fund may be used to retire a mortgage or other indebtedness encumbering an eligible capital project made *within the preceding five (5) calendar years* [~~on and after January 1, 1977~~] to secure the repayment of monies loaned or advanced to finance the construction or acquisition of such project, and may be used in match or in combination with funds obtained from other sources for an eligible capital project. No money shall be expended out of the fund, directly or indirectly, to pay or reimburse the cost of any feasibility study, master plan for any capital improvement development or redevelopment project, the purchase of consumable supplies or any administrative salary, or other operating or capital expense of any area development district, or for the acquisition, construction, reconstruction, renovation or maintenance of any building or property of schools, state institutions of higher learning, or any road, street, bridge or highway.

(3) The board of directors of each area development district shall determine from among the capital project proposals submitted by eligible beneficiary agencies, the capital projects to be proposed to be constructed or acquired out of the fund. The area development districts shall submit to the *commissioner of* [~~secretary of the finance and administration cabinet through~~] the department for local government the capital projects selected for construction or acquisition within the districts. Each project proposal shall include: a detailed description of the project; a statement of the public benefit to be derived from the project; if available, design plans and specifications for the project; an itemized estimate of the cost of the project; a statement of the sources and amounts of funds available from any other source for the construction or acquisition of the project; and such other information relating to the proposed capital project as the department for local government [~~or the finance and administration cabinet~~] may require.

Section 2. KRS 42.355 is amended to read as follows:

(1) The department for local government shall examine each capital project selected by the area development districts, and when it finds that a proposed project conforms to the requirements of KRS 42.350

to 42.370; that the estimated costs of the project are reasonable; that the costs proposed to be paid from the fund are within the amount available; and that the proposed beneficiary agency will be reasonably able to finance the operation and maintain the capital project during its estimated useful life, the commissioner of the department for local government shall *approve it* [~~transmit the project proposal to the secretary of the finance and administration cabinet with a recommendation for approval~~]. If the department for local government determines that a capital project proposal does not conform to the requirements of KRS 42.350 to 42.370, that the estimated costs of the project are excessive or unreasonable in light of the public benefit to be derived from the project; or; the unencumbered balance in the fund available for expenditure in the area development district is insufficient to pay the costs of the project, or the part thereof proposed to be paid out of the fund, or the beneficiary agency cannot reasonably finance the operation of or maintain the capital project during its estimated useful life, the project proposal shall be disapproved by the department for local government. The final decision to either approve or disapprove any project proposal shall be made no later than forty-five (45) days following official submittal *of a complete proposal* by the area development district, and the area development district shall be accordingly notified at that time.

(2) [~~When the secretary of the finance and administration cabinet has approved a capital project, the finance and administration cabinet shall cause detailed cost estimates, site surveys, appraisals, architectural and engineering designs, and plans and specifications to be prepared, award and enter into contracts, and do all other things necessary and proper for the construction or acquisition of the capital project; provided, however, that the department may, in its discretion, adopt and rely upon detailed cost estimates, site surveys, appraisals, architectural designs and plans and specifications for capital projects prepared for and submitted by the beneficiary agency of the proposed project.~~

~~(3) Except when a direct grant for a capital project is made to a beneficiary agency as authorized under subsection (4) of this section, the finance and administration cabinet shall award and administer, or shall delegate to beneficiary agencies, and control, the award and administration of all contracts for the construction or acquisition of all capital projects wholly financed out of the fund, in accordance with the provisions of KRS Chapters 45 and 56. All contracts awarded under this section for the construction, reconstruction or renovation of a building or other improvement to real estate shall be deemed to be contracts for public works within the meaning of KRS 341.317 and KRS Chapter 376 and other applicable laws.~~

~~(4)~~] The [~~secretary of the finance and administration cabinet, after consultation with the~~] commissioner of the department for local government[~~,~~] may make direct grants in aid of money out of the fund to any beneficiary agency for the construction or acquisition of any approved capital project[~~, the estimated cost of which does not exceed the greater amount of fifty thousand dollars ($50,000), or one-third (1/3) of the total estimated cost of the project.~~] When a direct grant in aid has been made to a beneficiary agency, all contracts awarded for the purchase of materials, supplies, equipment or services, except professional and technical services, required for the construction or acquisition of the project shall be awarded to the lowest and best bidder in the discretion of the beneficiary agency after public advertisement as required by KRS Chapter 424 or other applicable law. *All contracts awarded under this section for the construction, reconstruction or renovation of a building or other improvement to real estate shall be deemed contracts for public works within the meaning of KRS 341.317 and KRS Chapter 376 and other applicable statutes.* All beneficiary agencies receiving a direct grant in aid under this subsection shall keep and maintain complete and accurate records of accounts of all expenditures of the grant monies which shall be subject to audit by the Commonwealth for a period of five (5) years after completion of the capital project. *Beneficiary agencies shall complete approved capital projects within a reasonable period of time as determined by the department for local government. Upon completion of capital projects, beneficiary agencies shall submit project completion reports to the department for local government as prescribed by the department for local government and containing such documents and information as may be necessary to determine compliance with KRS 42.350 through 42.360 and other applicable statutes and administrative regulations. Beneficiary agencies shall be liable to repay to the fund any granted funds for failure to submit full project completion reports within a reasonable period of time or for expenditure of granted funds in violation of statutes and regulations. No additional area development funds may be approved until compliance, except at the discretion of the commissioner of the department.* Any grant monies not required after all of the costs of the capital project have been paid by the beneficiary agency shall be promptly returned to the Commonwealth for reallocation for expenditure for other capital projects in the area development district to which such funds had been originally allocated.

(3)[~~(5)~~] No capital project shall be constructed under KRS 42.350 to 42.370 except upon land to which (a) the Commonwealth, a political subdivision of the Commonwealth or the beneficiary agency of the capital project has a good and marketable title, free of encumbrances, or (b) the beneficiary agency of the project has the right to the uninterrupted use, occupancy and possession for a period longer than the estimated useful life of the capital project; provided nothing herein shall prohibit the construction or renovation of public buildings on land with an existing encumbrance to secure payment of funds obtained for the acquisition or improvement of said land. Each beneficiary agency shall execute and deliver to the Commonwealth its written assurances, which shall be binding on such agencies' successors and assigns,

guaranteeing that during its estimated useful life, the capital project shall be operated and maintained for public purposes and pledging that no mortgage or other encumbrances shall be placed against any capital project wholly financed out of the fund, except industrial development projects, for the breach of which assurances the Commonwealth shall have right of entry to the capital project and the beneficiary agency, or its successors and assigns, shall forthwith convey the title to the capital project to the Commonwealth. Similar assurances shall be executed and delivered to the Commonwealth by the beneficiary agencies of capital projects financed in part out of the fund and in part from other sources, except that when such additional funding is derived from the issuance and sale of revenue bonds or under other statutorily authorized financing methods, to secure the repayment of which funds a statutory mortgage lien is granted in favor of any person or group of persons, the capital project may be encumbered to the extent authorized or required by the law under which such financing method was undertaken; nor shall anything in this section prohibit the encumbrance of any real property located within an industrial park or constituting an industrial site, developed or improved as a capital project under KRS 42.350 and this section, by any person, firm, company, partnership, or corporation to which such property has been conveyed, to obtain financing for the construction upon such property of industrial and commercial buildings. The written assurances provided by beneficiary agencies under this section shall be lodged for recording and recorded in the office of the county clerk of the county in which the proposed project shall be located.

Section 3. KRS 42.360 is amended to read as follows:

The *commissioner of the department for local government* [~~secretary of the finance and administration cabinet~~] shall promulgate such rules and regulations governing submission and approval of proposed capital projects, the expenditure of moneys from the fund *and* [~~,~~] the designation of beneficiary agencies [~~and the title to capital projects and real property~~] involved in capital projects as shall be appropriate to the implementation of KRS 42.350 and 42.355.

The Committee on State Government reported **HB 455** with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

The Committee on Cities reported **HB 207** with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

Calendar

HB 703, HB 797, HB 889, HB 900, SB 3, SB 243, SB 273, SB 276, HB 770, HB 802, HB 854, HB 342, HB 651, HB 801, HB 869, HB 939, HB 968, HJR 10, SB 257, HB 438, HB 633, HB 887, HB 933, HB 1006, HB 155, HB 645, HB 747, HB 772, HB 845, HB 846, and **HJR 72** taken from the Calendar and ordered read at length for the second time. Representative LeMaster moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Orders of the Day

Representative LeMaster moved that the rules be suspended to act upon a Legislative Citation. Agreed.

Representative Morris moved the adoption of Legislative Citation No. 106. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Christian County High School Winter Guard, Hopkinsville, Kentucky, on your outstanding performance by capturing top honors at the Vanderbilt University Open in Nashville, Tennessee on February 27, 1984. Especially noteworthy is the fact that you were competing against seventeen teams from three states, which included some college teams, and that you defeated your nearest opponent by 4.9 points. You have distinguished yourself with the highest ideals: moral courage, personal sacrifice, self-denial, sincere discipline and genuine ability. You never faltered under adverse circumstances, but exercised patience and persistence in awaiting your opportunity. Your exceptional leadership and high standard of performance requiring the best at all times are most exemplary, productive and rewarding. Our praise to the parents of these team members for their constant positive, supportive measures, which are vital to the success of the program. The youth of our nation will be great beneficiaries of a grand investment of your leadership, talents, untiring efforts, unique skills and noble dreams. This prestigious body salutes you for the great distinction and honor that you have brought to your school, community and the Commonwealth of Kentucky. (Sponsored by Representative Bruce)

Representative LeMaster moved that **HB 800** be recommmitted to the Committee on Counties and Special Districts. Agreed.

HB 746, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative T. Jones moved the adoption of the Committee Amendment No. 1 to **HB 746.**

On the roll call the vote was yeas 61-Arnold, Barrows, Bendl, Blandford, Blevins, Brinkley, Bronger, Burnette, Caldwell, Clapp, L. Clark, Cline, Cowan, Craddock, Crupper, Curd, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gedling, Guenthner, Hancock, Harper, Head, Hines, Holloway, Johnson, R. Jones, T. Jones, Kenton, Layman, LeMaster, Lile, List, Long, Lundergan, Mann, McBee, McElroy, McNutt, Moberly, Nett, Petty, Rapier, Rattliff, Richards, B. Richardson, Riner, B. Smith, F. Smith, Stumbo, Thomas, Thomason, Turner, Williams, Worthington, Yates. Nays 16-Allen, Bennett, Brown, Burch, P. Clark, Cyrus, Dawahare, Deskins, Fryman, Gray, Lefevers, Little, Maggard, Patrick, Pearman, Van Horn.

Committee Amendment No. 1 to **HB 746** was adopted.

Representative Rapier moved that **HB 746,** as amended, be passed.

On the roll call the vote was yeas 79-Allen, Arnold, Barrows, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Burnette, Caldwell, Clapp, L. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Donnermeyer, Dunn, Ellington, Farrow, Ford, Foster, Freibert, Gedling, Guenthner, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lile, List, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Nett, Noe, Noland, Overstreet, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, White, Williams, Worthington, Yates. Nays 15-Bennett, Bruce, Burch, P. Clark, Dawahare, Deskins, Endicott, Gray, Hancock, Lefevers, Little, Morris, Patrick, Pearman, Van Horn.

HB 746, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 746,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 110, HB 410, HB 579,** and **HJR 20** had been examined and found correctly enrolled. Said Bills and Resolution read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 2:55 p.m.)

HB 110, HB 410, HB 579, and **HJR 20** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Orders of the Day (Continued)

HB 666, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Kenton moved the adoption of the Floor Amendment No. 1 to **HB 666**. Agreed.

Representative Kenton moved that **HB 666,** as amended, be passed.

On the roll call the vote was yeas 87-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, Noland, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Yates. Nays 3-Deskins, Endicott, Overstreet.

HB 666, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 666,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 38 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Yates moved that **HB 38** be passed.

On the roll call the vote was yeas 89-Allen, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, Lile, List, Little, Long, Lundergan, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 1-Thomason.

HB 38 was passed and the title agreed to.

Representative Yates moved that the vote by which **HB 38** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 69, as amended by Committee Amendment No. 1, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Williams moved that the vote by which Floor Amendment No. 1 to **HB 69** was rejected be reconsidered.

The Chair ruled the motion out of order, since Representative Williams did not vote on the prevailing side.

Representative Gray moved that the vote by which Floor Amendment No. 1 to **HB 69** was rejected be reconsidered.

On the roll call the vote yeas 46-Arnold, Bendl, Bennett, Blevins, Bronger, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Donnermeyer, Dunn, Farrow, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Heleringer, Hines, Kenton, Kidd, LeMaster, Long, Lundergan, Mann, Moberly, Morris, Nett, Noe, O'Brien, Petty, Priddy, Rapier, Rattliff, B. Richardson, P. Richardson, Robinson, B. Smith, Stumbo, Thomas, Van Horn, Williams, Yates. Nays 47-Allen, Barrows, Blandford, Brinkley, Brown, Clapp, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Ellington, Endicott, Ford, Foster, Fryman, Harper, Head, Holbrook, Holloway, Johnson, R. Jones, Layman, Lefevers, Lile, List, Little, Maggard, McElroy, McNutt, Meyer, Moore, Noland, Patrick, Pearman, Reinhardt, Richards, Riner, Seum, Stone, Thomason, Todd, White, Worthington.

The motion that the vote by which Floor Amendment No. 1 to **HB 69** was rejected be reconsidered was rejected.

Representative Williams moved the adoption of the Floor Amendment No. 2 to **HB 69**. Agreed.

Representative Barrows moved that **HB 69,** as amended, be laid on the Clerk's desk. Rejected.

Representative Nett moved that **HB 69,** as amended, be passed.

Representative Ford moved the adoption of the Previous Question on **HB 69**, as amended.

On the roll call the vote was yeas 4-Burnette, Ford, Foster, Overstreet. Nays 65-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Freibert, Fryman, Gray, Guenthner, Hancock, Handy, Harper, Hines, Holloway, T. Jones, LeMaster, Lile, List, Little, Long, Lundergan, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, O'Brien, Perkins, Petty, Priddy, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, B. Smith, F. Smith, Stumbo, Thomason, Van Horn, Williams, Worthington, Yates.

The motion that the Previous Question be adopted on **HB 69**, as amended, was rejected.

Representative Thomason moved that the vote by which Floor Amendment No. 1 to **HB 69** was rejected be reconsidered.

On the roll call the vote was yeas 57-Arnold, Bendl, Bennett, Blevins, Bronger, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Crupper, Cyrus, Donnermeyer, Dunn, Farrow, Foster, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Heleringer, Hines, Holloway, T. Jones, Kenton, Kidd, List, Long, Lundergan, Mann, McBee, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, B. Richardson, P. Richardson, Riner, Robinson, F. Smith, Stumbo, Thomas, Thomason, Turner, Van Horn, Williams, Yates. Nays 25-Allen, Barrows, Blandford, Brinkley, Brown, Burnette, Clapp, Craddock, Curd, Dawahare, Ellington, Endicott, Fryman, Head, Holbrook, Johnson, Layman, Lefevers, Little, Maggard, McElroy, McNutt, Patrick, Reinhardt, Stone.

The motion that the vote by which Floor Amendment No. 1 to **HB 69** was rejected be reconsidered was adopted.

Representative Nett moved the adoption of Floor Amendment No. 1 to **HB 69.**

On the roll call the vote was yeas 50-Arnold, Bendl, Bennett, Blevins, Bronger, Burch, Caldwell, L. Clark, Clarke, Cowan, Crupper, Donnermeyer, Dunn, Farrow, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Heleringer, Hines, Holloway, Kenton, Kidd, Long, Lundergan, Mann, McBee, Meyer, Moberly, Nett, Noe, O'Brien, Perkins, Petty, Priddy, Rapier, Rattliff, B. Richardson, P. Richardson, Riner, Robinson, F. Smith, Stumbo, Thomas, Thomason, Van Horn, Williams, Yates. Nays 39-Allen, Barrows, Blandford, Brinkley, Brown, Bruce, Burnette, Clapp, Cline, Craddock, Curd, Cyrus, Dawahare, Deskins, Ellington, Endicott, Ford, Freibert, Fryman, Head, Holbrook, Johnson, Layman, Lefevers, Lile, List, Little, Maggard, McElroy, McNutt, Moore, Noland, Patrick, Pearman, Richards, Stone, Todd, White, Worthington.

Floor Amendment No. 1 to **HB 69** was adopted.

Representative Nett moved that **HB 69,** as amended, be passed.

On the roll call the vote was yeas 54-Bendl, Bennett, Blevins, Bronger, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Craddock, Dawahare, Donnermeyer, Dunn, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Heleringer, Hines, Holloway, Kenton, Kidd, Long, Lundergan, Mann, Meyer, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, F. Smith, Stumbo, Thomas, Thomason, Van Horn, Williams, Yates. Nays 42-Allen, Arnold, Barrows, Blandford, Brinkley, Brown, Burnette, Clapp, Cline, Crupper, Curd, Cyrus, Deskins, Ellington, Endicott, Farrow, Ford, Freibert, Fryman, Head, Holbrook, Johnson, Layman, Lefevers, LeMaster, Lile, List, Little, Maggard, McElroy, McNutt, Moore, Noland, Patrick, Pearman, Seum, B. Smith, Stone, Todd, Turner, White, Worthington.

HB 69, as amended, was passed and the title agreed to.

Representative Williams moved that the vote by which **HB 69,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 20, with Committee Substitute and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Williams moved the adoption of the Committee Substitute to **SB 20**. Agreed.

Representative Holbrook moved that adoption of the Floor Amendment No. 2 to the Committee Substitute to **SB 20**.

On the roll call the vote was yeas 25-Barrows, Brown, Caldwell, Clarke, Cyrus, Endicott, Ford, Gray, Harper, Heleringer, Holbrook, Johnson, LeMaster, List, McBee, Moore, Noland, Overstreet, Patrick, Perkins, Reinhardt, Robinson, Seum, Todd, Yates. Nays 64-Allen, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Bruce, Burch, Burnette, L. Clark, P. Clark, Cline, Craddock, Crupper, Curd, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Gedling, Guenthner, Hancock, Handy, Head, Hines, Holloway, R. Jones, T. Jones, Kenton, Layman, Lefevers, Lile, Little, Long, Maggard, Mann, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, O'Brien, Pearman, Priddy, Rapier, Richards, B. Richardson, Riner, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Williams.

Floor Amendment No. 2 to the Committee Substitute to **SB 20** was rejected.

Representative Harper moved the adoption of the Floor Amendment No. 3 to the Committee Substitute to **SB 20**.

On the roll call the vote was yeas-16-Brown, Caldwell, Clapp, Ford, Foster, Gray, Harper, Holbrook, Holloway, R. Jones, Noland, Patrick, Rattliff, Reinhardt, Robinson, Todd. Nays 68-Allen, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Bruce, Burch, Burnette, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Fryman, Gedling, Guenthner, Hancock, Handy, Head, Hines, T. Jones, Kenton, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Pearman, Perkins, Rapier, B. Richardson, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams.

Floor Amendment No. 3 to the Committee Substitute to **SB 20** was rejected.

Representative Williams moved that **SB 20,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 98-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 1-Clarke.

SB 20, by way of Committee Substitute, was passed and the title agreed to.

Representative Williams moved that the vote by which **SB 20,** by way of Committee Substitute, was passed be reconsidered and said motion be placed on the table. Agreed.

Speaker Pro Tempore Blandford presiding.

HB 814, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Donnermeyer moved the adoption of the Floor Amendment No. 1 to **HB 814**. Agreed.

Representative Donnermeyer moved that **HB 814,** as amended, be passed.

Representative Donnermeyer moved that the vote by which Floor Amendment No. 1 to **HB 814** was adopted be reconsidered. Agreed.

Representative Donnermeyer moved that **HB 814**, as amended, be passed.

On the roll call the vote was yeas 42-Arnold, Barrows, Bendl, Bennett, Blandford, Bronger, Bruce, Caldwell, P. Clark, Clarke, Cowan, Crupper, Donnermeyer, Dunn, Hancock, Handy, Harper, Hines, Johnson, R. Jones, T. Jones, Kenton, LeMaster, Maggard, Mann, McBee, Meyer, Moberly, Morris, Nett, O'Brien, Patrick, Petty, Priddy, Rapier, Riner, Seum, Thomas, Van Horn, White, Williams, Yates. Nays 49-Allen, Blevins, Brown, Burch, Burnette, Clapp, L. Clarke, Cline, Craddock, Curd, Cyrus, Dawahare, Deskins, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Head, Holbrook, Holloway, Kidd, Layman, Lefevers, Lile, List, Little, Long, McElroy, McNutt, Moore, Noe, Noland, Overstreet, Pearman, Perkins, Rattliff, P. Richardson, Robinson, B. Smith, Stone, Stumbo, Todd, Worthington.

HB 814, as amended, was defeated.

HB 280 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative R. Jones moved that **HB 280** be passed.

On the roll call the vote was yeas 75-Arnold, Barrows, Bendl, Blandford, Blevins, Bronger, Brown, Burch, Burnette, Caldwell, Clapp, L. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Ford, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, List, Long, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Nett, Noe, Noland, O'Brien, Pearman, Perkins, Petty, Rapier, Reinhardt, Richards, Riner, Robinson, B. Smith, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 1-Overstreet.

HB 280 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 280** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 515 taken from Orders of the day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative O'Brien moved that **HB 515** be passed.

On the roll call the vote was yeas 82-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 3-Deskins, Harper, Overstreet.

HB 515 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 515** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 615, with Committee Substitute and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Hancock moved the adoption of the Committee Substitute to **HB 615**. Agreed.

Representative Hancock moved that **HB 615**, by way of Committee Substitute, be passed.

On the roll call the vote was yeas 88-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

HB 615, by way of Committee Substitute, was passed.

Representative Hancock moved the adoption of the Floor Title Amendment to **HB 615**. Agreed.

Representative Hancock moved that the vote by which **HB 615**, by way of Committee Substitute, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 706, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative O'Brien moved the adoption of the Committee Amendment No. 1 to **HB 706**. Agreed.

Representative O'Brien moved that **HB 706**, as amended, be passed.

On the roll call the vote was yeas 92-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

HB 706, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 706**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 728 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved that **HB 728** be passed.

On the roll call the vote was yeas 88-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 2-Burch, Overstreet.

HB 728 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 728** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 760 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members

elected.

Representative F. Smith moved that **HB 760** be passed.

On the roll call the vote was yeas 93-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

HB 760 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 760** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 882 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved that **HB 882** be passed.

On the roll call the vote was yeas 94-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 1-Overstreet.

HB 882 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 882** was passed be reconsidered and said motion be placed on the table. Agreed.

HJR 58, with Committee Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by a title only and placed upon its passage. Agreed by a majority of members elected.

Representative Perkins moved the adoption of the Committee Amendment No. 2 to **HJR 58.** Agreed.

Representative Perkins moved that **HJR 58,** as amended, be passed.

On the roll call the vote was yeas 88-Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

HJR 58, as amended, was passed.

Representative Perkins moved that adoption of the Committee Title Amendment to **HJR 58.** Agreed.

Representative Perkins moved that the vote by which **HJR 58,** as amended, was passed be reconsidered

and said motion be placed on the table. Agreed.

HJR 95 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cline moved the adoption of **HJR 95**.

On the roll call the vote was yeas 89-Allen, Arnold, Bendl, Bennett, Blevins, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, R. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

HJR 95 was adopted.

Representative Cline moved that the vote by which **HJR 95** was adopted be reconsidered and said motion be placed on the table. Agreed.

Senate Message

Announcing passage of **HB 93** with Senate Amendment, **HB 284** with Senate Amendments, **HB 330** with Senate Amendment, and **HB 568**.

Orders of the Day (Continued)

HCR 96 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Arnold moved the adoption of **HCR 96**.

On the roll call the vote was yeas 83-Arnold, Bendl, Bennett, Blevins, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomason, Turner, Van Horn, White, Worthington, Yates. Nays 1-Allen.

HCR 96 was adopted and the title agreed to.

Representative LeMaster moved that the vote by which **HCR 96** was adopted be reconsidered and said motion be placed on the table. Agreed.

HB 366, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Gray moved the adoption of the Floor Amendment No. 2 to **HB 366**. Agreed.

Representative Gray moved that **HB 366,** as amended, be passed.

On the roll call the vote was yeas 92-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

HB 366, as amended, was passed and the title agreed to.

Representative Gray moved that the vote by which **HB 366,** as amended, was passed be reconsider and said motion be placed on the table. Agreed.

HB 761 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cowan moved that **HB 761** be passed.

On the roll call the vote was yeas 82-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Layman, LeMaster, Lile, Little, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Perkins, Petty, Priddy, Rapier, Reinhardt, B. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Worthington, Yates. Nays 3-Overstreet, Pearman, P. Richardson.

HB 761 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 761** was passed be reconsidered and said motion be placed on the table. Agreed.

The Speaker resumed the Chair.

HB 769 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Noe moved that **HB 769** be passed.

On the roll call the vote was yeas 87-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Bronger, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 1-Overstreet.

HB 769 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 769** was passed be reconsidered and said motion be place on the table. Agreed.

HB 771, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Noe moved the adoption of the Committee Amendment No. 1 to **HB 771**. Agreed.

Representative Noe moved that **HB 771,** as amended, be passed.

On the roll call the vote was yeas 87-Allen, Arnold, Barrows, Bendl, Bennett, Blevins, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, T. Jones, Kenton, Kidd, Layman, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Petty, Priddy, Rapier, Rattliff, Reinhardt, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Worthington, Yates. Nays 0.

HB 771, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 771**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 777, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of member elected.

Representative Mann moved the adoption of the Committee Amendment No. 1 to **HB 777**. Agreed.

Representative Mann moved that **HB 777**, as amended, be passed.

On the roll call the vote was yeas 87-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Bruce, Burch, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, O'Brien, Patrick, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 6-Allen, Endicott, Layman, Noland, Overstreet, Pearman.

HB 777, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 777**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 701 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Thomas moved that **HB 701** be passed.

On the roll call the vote was yeas 39-Allen, Arnold, Bennett, Blandford, Brown, Bruce, Burch, L. Clark, Craddock, Dawahare, Deskins, Donnermeyer, Dunn, Endicott, Ford, Foster, Heleringer, Holloway, Johnson, T. Jones, Kenton, Layman, Little, Mann, Morris, Noland, Overstreet, Patrick, Perkins, Petty, Priddy, Reinhardt, B. Richardson, Riner, Robinson, Stone, Thomason, Van Horn, White. Nays 32-Barrows, Burnette, Caldwell, Clapp, P. Clark, Clarke, Cowan, Crupper, Curd, Cyrus, Ellington, Farrow, Freibert, Gedling, Hancock, Harper, Head, R. Jones, LeMaster, List, Long, Lundergan, McElroy, McNutt, Meyer, Moberly, Nett, Rapier, Richards, P. Richardson, F. Smith, Worthington.

HB 701 was defeated.

Motions, Petitions, and Communications

Representative Thomas moved that he be recorded as voting "yea" on **HB 701**.

The Speaker ruled this would change the outcome of the vote on **HB 701**.

Representative Thomas moved that the vote by which **HB 701** was defeated be reconsidered.

Representative Rapier moved that the motion that the vote by which **HB 701** was defeated be reconsidered be laid on the table. Rejected.

Representative Thomas moved that the vote by which **HB 701** was defeated be reconsidered.

On the roll call the vote was yeas 39-Arnold, Bendl, Bennett, Blandford, Bruce, Burch, Caldwell, L. Clark, Craddock, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Ford, Fryman, Gray, Holloway, Johnson, T. Jones, Kenton, Layman, Little, Mann, Morris, Overstreet, Petty, Priddy, Reinhardt, Richards, B. Richardson, Riner, Stone, Thomas, Thomason, Van Horn, White. Nays 22-Barrows, P. Clark, Clarke, Crupper, Curd, Farrow, Freibert, Gedling, Hancock, Harper, R. Jones, Long, McElroy, McNutt, Moberly, Nett, Rapier, P. Richardson, Robinson, B. Smith, F. Smith, Worthington.

The motion that the vote by which **HB 701** was defeated be reconsidered was adopted.

Representative Thomas moved that **HB 701** be placed in Orders of the Day for March 15, 1984.

On the roll call the vote was yeas 48-Anrold, Bendl, Bennett, Blandford, Bronger, Bruce, Burch, Caldwell, L. Clark, Craddock, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Ford, Fryman, Gedling, Gray, Heleringer, Holloway, Johnson, T. Jones, Kenton, Kidd, Layman, Little, Lundergan, Maggard, Mann, Moore, Morris, Overstreet, Perkins, Petty, Priddy, Reinhardt, Richards, B. Richardson, Riner, Stone, Thomas, Thomason, Todd, Turner, Van Horn. Nays 21-Barrows, P. Clark, Clarke, Crupper, Curd, Farrow, Freibert, Hancock, Harper, R. Jones, LeMaster, Long, McElroy, McNutt, Moberly, Nett, Rapier, P. Richardson, Robinson, F. Smith, Worthington.

The motion that **HB 701** be placed in Orders of the Day for March 15, 1984 was adopted.

Representative McNutt moved that **HB 816** be withdrawn. Agreed.

A meeting of the Committee on Energy was announced for Thursday, 8:00 a.m.

Representative Cline moved that the rules be suspended to allow all properly filed co-sponsor requests to be approved. Agreed.

The following members requested that their names be added as co-sponsors of Bills and Resolutions: Representative Burnette, **HB 786;** Representative Caldwell, **HR 58;** Representative Holbrook, **HB 761;** Representative Maggard, **HB 33.**

Representative LeMaster moved that the rules be suspended for Introduction of a Resolution and Report of Committees. Agreed.

Introduction of Resolution

HR 130, by Representative Kenton: A RESOLUTION honoring Southern Junior High School for winning the 1984 state Math Bowl competition.

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bills and Resolutions have been posted for Committee consideration:

Counties and Special Districts: **HB 482, SB 309.**

Health and Welfare: **SB 66, HCR 82.**

Appropriations and Revenue: **HB 11, HB 899, SB 124, SB 314, SB 197.**

Judiciary-Criminal: **HB 695.**

Labor and Industry: **HB 592.**

Cities: **HB 588, SB 317, SB 333, SB 356.**

Natural Resources and Environment: **SB 83.**

State Government: **HCR 111, SB 212, SB 158.**

Education: **HB 775, HB 403, HB 799, SCR 30, SB 390, SB 364, SB 335, SB 303.**

The Clerk announced **HB 600** has been withdrawn from consideration by the Committee on State Government.

Report of Committees

The Committee on Judiciary-Civil reported **HB 926, SB 4** with Committee Amendment attached thereto, **SB 194, SB 201, SB 229, SB 233, SB 293, HB 635** with Committee Substitute attached thereto, and **HB 659** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 926, AN ACT relating to commercial rights to use the names and likenesses of public figures.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 391 IS CREATED TO READ AS FOLLOWS:

(1) The general assembly recognizes that a person has property rights in his name and likeness which are entitled to protection from commercial exploitation. The general assembly further recognizes that although the traditional right of privacy terminates upon death of the person asserting it, the right of publicity, which is a right of protection from appropriation of some element of an individual's personality for commercial exploitation, does not terminate upon death.

(2) The name or likeness of a person who is a public figure shall not be used for commercial profit for a period of fifty (50) years from the date of his death without the written consent of the executor or administrator of his estate.

SB 4, AN ACT relating to service of notice in forcible entry or detainer proceedings.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 454.030 is amended to read as follows:

If the officer directed to serve notice on the defendant in forcible entry or detainer proceedings cannot find the defendant on the premises mentioned in the writ, he may explain and leave a copy of the notice with any member of the defendant's family thereon over sixteen years of age, and if no such person is found he may serve the notice by posting a copy thereof in a conspicuous place on the premises *and by mailing a copy of the notice to the mailing address of the premises mentioned in the writ by regular mail through the United States Postal Service, postage prepaid*. The notice shall state the time and place of meeting of the court.

The Committee Amendment No. 1 to **SB 4** is as follows:

Amend printed copy of **SB 4** on page 1, line 12, by deleting the words "*and certified*".

SB 194, AN ACT relating to legal notice for the sale of bonds.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 424.360 is amended to read as follows:

No sale of general obligation bonds or revenue bonds of any governmental unit or political subdivision, or agency thereof, shall be made except upon newspaper advertisements for bids, published for the publication area constituted by the political subdivision or government unit and published to afford state-wide notice. If the bonds are in principal amount of *seven hundred and* fifty thousand dollars *($750,000)* [~~($50,000)~~] or more, an advertisement for bids shall also be published in a publication having general circulation among bond-buyers.

SB 201, AN ACT relating to actions for wrongful birth.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

No person shall be liable in civil damages for any act or omission that results in a person being born alive instead of being aborted.

SB 229, AN ACT relating to the ownership of property.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 381.300 is amended to read as follows:

(1) Except as otherwise provided in this chapter, the real estate of *a nonresident* [~~an~~] alien may be escheated to the state at any time after the expiration of eight (8) years after the time he acquires title thereto.

(2) Any alien who has purchased, or contracted to purchase, any real estate, or who holds or has title thereto, and who becomes a citizen of the United States before the property is escheated, and any purchaser, lessee, heir, or devisee, from him, if a citizen of the United States, who becomes the owner thereof by purchase or inheritance before the property is escheated, shall take and hold the property free and released from any right or claim of the state by reason of such person's having been an alien.

Section 2. KRS 381.320 is amended to read as follows:

Any alien, not an enemy, may take and hold any personal property except chattels real. If such alien resides within this state he may take and hold any lands for the purposes of residence, or of occupation by him or his servants, or for the purpose of any business, trade, or manufacture, for *as long as he remains a resident of the state* [~~a term not exceeding twenty-one years~~]. An alien so taking and holding shall have like rights, remedies and exemptions concerning such property as if he were a citizen of the United States.

SB 233, AN ACT relating to the pre-judgment remedies and garnishments.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 425.011 is amended to read as follows:

(1) Upon filing of the complaint or at any time prior to judgment, in an action to recover the possession of specific personal property, the plaintiff may apply pursuant to this chapter for a writ of possession by filing a written motion for the writ with the court in which the action is brought.

(2) The motion shall be executed under oath and shall include all of the following:

(a) A showing of the basis of the plaintiff's claim and that the plaintiff is entitled to possession of the property claimed. If the basis of the plaintiff's claim is a written instrument, a copy of the instrument shall be attached.

(b) A showing that the property is wrongfully detained by the defendant, of the manner in which the defendant came into possession of the property, and, according to the best knowledge, information, and belief of the plaintiff the reason for the detention.

(c) A particular description of the property and a statement of its value. *A description of property sufficient under KRS 355.9-110 shall meet the requirement of this section. The statement of value may be as to the worth of the property as a whole.*

(d) A statement, according to the best knowledge, information and belief of the plaintiff, of the location of the property and if the property, or some part of it, is within a private place which may have to be entered to take possession a showing that there is probable cause to believe that such property is located there.

Although such showing may be based on information and belief the judicial officer at the hearing herein provided must be presented with facts sufficient to show that the information and the informant are credible and reliable.

(e) A statement that the property has not been taken for a tax assessment, or fine, pursuant to a statute; or seized under an execution against the property of the plaintiff; or if so seized, that it is by statute exempt from such seizure.

(3) The requirements of subsection (2) of this section may be satisfied by one or more affidavits filed with the application.

Section 2. KRS 425.031 is amended to read as follows:

Upon request of a defendant or intervening party, the judicial officer shall conduct a hearing at which each party shall be provided the opportunity to present witnesses on his behalf and to cross-examine adverse witnesses. The parties shall have the right to compel the attendance of witnesses by subpoena and to be represented at the hearing by counsel. The judicial officer shall make his determination upon the evidence adduced at the hearing.

Section 3. KRS 425.046 is amended to read as follows:

(1) The writ of possession shall meet all of the following requirements:

(a) The writ shall be directed to the sheriff;

(b) The writ shall describe the specific property to be seized *in accordance with KRS 425.011(2)(c);*

(c) The writ shall specify any private place that may be entered to take possession of the property or some part of it; and

(d) The writ shall direct the sheriff to levy on the property pursuant to KRS 425.091 if found and to retain it in his custody until released or sold pursuant to KRS 425.101.

(2) The writ shall inform the defendant that he has the right to obtain redelivery of the property by filing a bond with one or more sufficient sureties as prescribed by KRS 425.116 or that he has the right to except to the sureties upon the plaintiff's bond, a copy of which shall be attached to the writ.

(3) The writ may at any time before judgment be directed to any county for the delivery of the property claimed.

(4) The writ shall inform the defendant of his right to seek an order from the court, under KRS 425.081, to quash the writ and seek a release of the property seized.

Section 4. KRS 425.081 is amended to read as follows:

(1) Any defendant whose property has been taken pursuant to a writ of possession issued under *this chapter* [~~KRS 425.036 and 425.076~~] may apply for an order that the writ be quashed and any property levied on pursuant to the writ be released. Such application shall be made by noticed motion and the provisions of KRS 425.031.

(2) Pending the hearing on the defendant's motion the judicial officer may order that delivery pursuant to KRS 425.101 of any property previously levied upon be stayed. If the judicial officer determines that the plaintiff is not entitled to a writ of possession, he shall quash the writ of possession and order the release of any property previously levied upon.

Section 5. KRS 425.101 is amended to read as follows:

(1) After the levying officer takes possession pursuant to a writ of possession, he shall keep the property in a secure place. Except as otherwise provided by KRS 425.081:

(a) If bond with sufficient surety for redelivery is not filed and plaintiff's sureties are not excepted to, the sheriff shall deliver the property to plaintiff ten (10) days after levy of the writ of possession, upon receiving his fees for taking and necessary expenses for keeping the property.

(b) If a bond with sufficient surety is filed within ten (10) days after levy of the writ of possession and defendant's sureties are not excepted to, the sheriff *or plaintiff, if plaintiff holds possession under subsection (3)(a) of this section* shall redeliver the property to defendant upon expiration of the time to so except, upon receiving his fees for taking and necessary expenses for keeping the property not already paid or advanced by the plaintiff.

(c) If the plaintiff's sureties are excepted to, or if a bond for redelivery is filed within ten (10) days after levy of the writ of possession and defendant's sureties are excepted to, the sheriff shall not deliver or redeliver the property until the time provided in KRS 425.121.

(2) Notwithstanding subsection (1) *of this section,* where not otherwise provided by contract, upon a showing that the property is perishable or will greatly deteriorate or depreciate in value or for some other reason that the interests of the parties will best be served thereby, the judicial officer may order that the property be sold and the proceeds deposited in the court to abide the judgment in the action.

(3) If it is impractical, or impossible, for the sheriff to retain possession and control of the property levied upon, he may:

(a) Immediately, upon seizure, place the property in the hands of the plaintiff, who shall be required to keep the property in a secure place and manner within the Commonwealth of Kentucky for the mandatory ten (10) day holding period, subject to all provisions of paragraphs (1)(b) and (c) of this section, excepting those of expenses and fees.

(b) If the property levied upon shall consist of all, or substantially all, of the property within a structure or area, not used as a dwelling, and upon the consent of any third party owner or occupant of the structure or area, levy the writ of possession by securing with locks, or other means, the place or area, and holding the property at the place or area where it is found and levied upon, provided that the defendant shall be afforded a reasonable right of access.

Section 6. KRS 425.309 is amended to read as follows:

(1) An order of attachment shall not be issued until a bond has been executed by one or more sufficient sureties of the plaintiff in an amount not less than double the amount of the plaintiff's claim.

(2) Should the defendant post a bond, with sufficient sureties, insuring compliance with a final judgment, in an amount equal to the plaintiff's claim, including court costs and attorney's fees as stated in plaintiff's complaint, the attachment shall be dissolved and any proceeds of the attachment received by the plaintiff shall be returned to the defendant.

(3) Exceptions to sureties shall be made in accordance with KRS 425.121.

SECTION 7. A NEW SECTION OF KRS CHAPTER 425 IS CREATED TO READ AS FOLLOWS:

Any defendant whose property is attached pursuant to an attachment issued under KRS 425.301, 425.306, or 425.308, may apply for an order that the attachment be quashed and any property taken, or attached, be released from the attachment. Such application shall be made by noticed motion. A defendant making a motion to quash pursuant to this section shall be entitled to an immediate hearing.

Section 8. KRS 425.501 is amended to read as follows:

(1) Any person in whose favor a final judgment in personam has been entered in any court of record of this state may, upon the filing of an affidavit by him or his agent or attorney in the office of the clerk of the court in which the judgment was entered, and in the same cause in which said judgment was obtained showing the date of the judgment and the amount due thereon, and that one or more named persons hold property belonging to, or are indebted to, the judgment debtor, obtain an order of garnishment *to be served in accordance with the Rules of Civil Procedure* [~~directed to the sheriff, with as many copies as the plaintiff may direct, requiring him to summon the garnishees named in the affidavit to answer in the manner and at the time required for an answer by the Rules of Civil Procedure, and to make due return thereof. The order shall be made returnable as an order of arrest is directed to be returned~~].

(2) The judgment plaintiff shall not be required to execute bond to obtain the order.

(3) The order of garnishment shall be served on the persons named as garnishees, and in addition a copy thereof shall be delivered by the garnishee to the judgment debtor or mailed to him at his last known address.

(4) The judgment debtor may[~~, on the return day,~~] appear and claim the exemption of any property or debt that is exempt from execution, and on proof of exemption the garnishment shall be discharged as to the exempt property or debt.

(5) If the court finds that the garnishee was, at the time of service of the order upon him, possessed of any property of the judgment debtor, or was indebted to him, and the property or debt is not exempt from execution, the court shall order the property or the proceeds of the debt applied upon the judgment.

(6) Subsequent orders of garnishment against the same or other garnishees may be issued in the same manner until the judgment is satisfied.

(7) The provisions of KRS chapter 427 shall, as far as applicable, govern proceedings under the order.

(8) The order of garnishment shall be *served in accordance with the Rules of Civil Procedure* [~~directed and delivered to the sheriff, with as many copies thereof as the plaintiff may direct~~]. It shall [~~require the sheriff to~~] summon the garnishees to answer in the action in the manner and at the time required for an answer by the Rules of Civil Procedure, and to make due return thereof.

Section 9. KRS 425.516 is amended to read as follows:

The garnishee may pay the money owing to the defendant by him, not exceeding the plaintiff's claim and costs, to the sheriff having in his hands the order of attachment, or into the court *or to such person as the court may direct in accordance with the Rules of Civil Procedure*; and to that extent he shall be discharged from liability to the defendant. He shall not be subjected to costs beyond those caused by his resistance of the claim against him; and, if he discloses the property of the defendant in his hands, or the true sum owing by him, and delivers or pays the same to the sheriff, or according to the order of the court, he shall be allowed his costs.

Section 10. KRS 425.021, Service of pleadings on defendant, is repealed.

SB 293, AN ACT relating to statutory liens.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 376 IS CREATED TO READ AS FOLLOWS:

As used in KRS 376.270 and 376.275, "motor vehicle" shall include vessels used or designed for navigation of or operation on waterways, rivers, lakes, and streams, as well as those used or designed for operation on the public highways.

HB 635, AN ACT relating to product liabilities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 411.300 is amended to read as follows:

(1) As used in KRS 411.310 to 411.340, a "product liability action" shall include any action brought for or on account of personal injury, death or property damage caused by or resulting from the manufacture, construction, design, formulation, development of standards, preparation, processing, assembly, testing, listing, certifying, warning, instructing, marketing, advertising, packaging or labeling of any product.

(2) As used in KRS 411.310 to 411.340, a "plaintiff" shall mean a person asserting a claim and, if said claim is asserted on behalf of an estate, "plaintiff" shall include plaintiff's decedent.

(3) "State of the art" means the generally recognized method of manufacture and design available to the industry at the time of the manufacture of the product.

(4) "Available" means that which is technologically and economically feasible at the time of the manufacture of the product.

Section 2. KRS 411.310 is amended to read as follows:

(1) In any product liability action, it shall be presumed, until rebutted by a preponderance of the evidence to the contrary, that the subject product was not defective if the injury, death or property damage occurred either more than five (5) years after the date of sale to the first consumer or more than eight (8) years after the date of manufacture.

(2) In any product liability action, it shall be presumed, until rebutted by a preponderance of the evidence to the contrary, that the product was not defective if the design, methods of manufacture, and testing conformed to [~~the generally recognized and prevailing standards or~~] the state of the art in existence at the time the design was prepared, and the product was manufactured.

Section 3. KRS 411.320 is amended to read as follows:

[~~(1)~~] In any product liability action, a manufacturer shall be liable only for the personal injury, death or property damage that would have occurred if the product had been used in its original, unaltered and unmodified condition, *unless such alteration or modification was foreseeable and reasonable under the circumstances.* For the purpose of this section, product alteration or modification shall include failure to observe routine care and maintenance, but shall not include ordinary wear and tear. This section shall apply to alterations or modifications made by any person or entity, except those made in accordance with specifications or instructions furnished by the manufacturer.

[~~(2) In any product liability action, if the plaintiff performed an unauthorized alteration or an unauthorized modification, and such alteration or modification was a substantial cause of the occurrence that caused injury or damage to the plaintiff, the defendant shall not be liable whether or not said defendant was at fault or the product was defective.~~

~~(3) In any product liability action, if the plaintiff failed to exercise ordinary care in the circumstances in his use of the product, and such failure was a substantial cause of the occurrence that caused injury or damage to the plaintiff, the defendant shall not be liable whether or not said defendant was at fault or the product was defective.~~]

The Committee Substitute to **HB 635** is as follows:

HB 635, AN ACT relating to product liabilities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 411.300 is amended to read as follows:

(1) As used in KRS 411.310 to 411.340, a "product liability action" shall include any action brought for or on account of personal injury, death or property damage caused by or resulting from the manufacture, construction, design, formulation, development of standards, preparation, processing, assembly, testing, listing, certifying, warning, instructing, marketing, advertising, packaging or labeling of any product.

(2) As used in KRS 411.310 to 411.340, a "plaintiff" shall mean a person asserting a claim and, if said claim is asserted on behalf of an estate, "plaintiff" shall include plaintiff's decedent.

(3) "State of the art" means the generally recognized method of manufacture and design available to the industry at the time of the manufacture of the product.

(4) "Available" means that which is technologically and economically feasible at the time of the manufacture of the product.

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(2) In any product liability action, it shall be presumed, until rebutted by a preponderance of the evidence to the contrary, that the product was not defective if the design, methods of manufacture, and testing conformed to [~~the generally recognized and prevailing standards or~~] the state of the art in existence at the time the design was prepared, and the product was manufactured.

Section 3. KRS 411.320 is amended to read as follows:

(1) In any product liability action, a manufacturer shall be liable only for the personal injury, death or property damage that would have occurred if the product had been used in its original, unaltered and unmodified condition, *unless such alteration or modification was foreseeable and reasonable under the circumstances.* For the purpose of this section, product alteration or modification shall include failure to observe routine care and maintenance, but shall not include ordinary wear and tear. This section shall apply to alterations or modifications made by any person or entity, except those made in accordance with specifications or instructions furnished by the manufacturer.

(2) In any product liability action, if the plaintiff performed an unauthorized alteration or an unauthorized modification, and such alteration or modification was a substantial cause of the occurrence that caused injury or damage to the plaintiff, the defendant shall not be liable whether or not said defendant was at fault or the product was defective.

(3) In any product liability action, if the plaintiff failed to exercise ordinary care in the circumstances in his use of the product, and such failure was a substantial cause of the occurrence that caused injury or damage to the plaintiff, the defendant shall not be liable whether or not said defendant was at fault or the product was defective.

HB 659, AN ACT relating to the board of claims.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 44.140 is amended to read as follows:

(1) Appeals may be taken by a state agency from all awards of the board where the amount in controversy, exclusive of interest and costs, is more than five hundred dollars ($500). Appeals shall be taken to the circuit court of the county wherein the hearing was conducted, provided, however, that an appeal involving a nonresident claimant may be taken by a state agency to the Franklin Circuit Court with the approval of the board. No state agency can appeal any decision of the board without securing the prior approval of the attorney general. Appeals shall be taken within forty-five (45) days from the rendition of the award, and the method of appeals shall follow as nearly as may be the rules of civil procedure, except the Commonwealth shall not be required to execute bond.

(2) Any claimant whose claim is five hundred dollars ($500) or greater may within forty-five (45) days after receipt of the copy of the report containing the final decision of the board, file a proceeding in the circuit court of the county wherein the hearing was conducted to review the decision of the board. A copy of the filing and complaint shall be served on the attorney general in the manner provided by the rules of civil procedure.

(3) *The clerk of the circuit court in which an appeal is filed shall provide notice of any such appeal to the board, such notice to be served upon the executive director of the board. Within thirty (30) days after receipt of such notice, the board shall send its entire original record, properly bound, to the clerk of the circuit court, after certifying that such record is its entire original record, which record shall then be filed by the clerk of the circuit court and considered by the circuit court in its review.*

(4) On appeal no new evidence may be introduced, except as to fraud or misconduct of some person engaged in the hearing before the board. The court sitting without a jury shall hear the cause upon the record before it, and dispose of the appeal in a summary manner, being limited to determining: Whether or not the board acted without or in excess of its powers; the award was procured by fraud; the award is not in conformity to the provisions of KRS 44.070 to 44.160; and whether the findings of fact support the award.

The court shall enter its findings on the order book as a judgment of the court, and such judgment shall have the same effect and be enforceable as any other judgment of the court in civil causes.

The Committee Substitute to **HB 659** is as follows:

HB 659, AN ACT relating to the board of claims.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 44.140 is amended to read as follows:

(1) Appeals may be taken by a state agency from all awards of the board where the amount in controversy, exclusive of interest and costs, is more than five hundred dollars ($500). Appeals shall be taken to the circuit court of the county wherein the hearing was conducted, provided, however, that an appeal involving a nonresident claimant may be taken by a state agency to the Franklin Circuit Court with the approval of the board. No state agency can appeal any decision of the board without securing the prior approval of the attorney general. Appeals shall be taken within forty-five (45) days from the rendition of the award, and the method of appeals shall follow as nearly as may be the rules of civil procedure, except the Commonwealth shall not be required to execute bond.

(2) Any claimant whose claim is five hundred dollars ($500) or greater may within forty-five (45) days after receipt of the copy of the report containing the final decision of the board, file a proceeding in the circuit court of the county wherein the hearing was conducted to review the decision of the board. A copy of the filing and complaint shall be served on the attorney general in the manner provided by the rules of civil procedure.

(3) *The board, the state agency and the claimant shall be necessary parties to such appeals. It shall not be necessary for the board to file responsive pleadings unless it so desires.*

(4) The executive director of the board shall within thirty (30) days after service of the summons file the entire original record properly bound, with the clerk of the circuit court, after certifying that such record is the board's entire original record and such record shall be considered by the circuit court in its review. If either party requests a transcript of the evidence in writing, the requesting party shall bear the cost of the original copy of the transcript and it shall be furnished within ninety (90) days from the date of the written request.

(5) On appeal no new evidence may be introduced, except as to fraud or misconduct of some person engaged in the hearing before the board. The court sitting without a jury shall hear the cause upon the record before it, and dispose of the appeal in a summary manner, being limited to determining: Whether or not the board acted without or in excess of its powers; the award was procured by fraud; the award is not in conformity to the provisions of KRS 44.070 to 44.160; and whether the findings of fact support the award. The court shall enter its findings on the order book as a judgment of the court, and such judgment shall have the same effect and be enforceable as any other judgment of the court in civil causes.

The Committee on Judiciary-Civil reported **HB 210,** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

The Committee Substitute to **HB 210** is as follows:

HB 210, AN ACT relating to alcoholic beverage control administration.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 243.560 is amended to read as follows:

(1) Any order of the board refusing, revoking or suspending a license may be appealed from by the applicant or licensee, and any order of the board granting or refusing to revoke or suspend a license may be appealed from by any citizen feeling himself aggrieved.

(2) The person aggrieved may, within ten (10) days after the entry of the order with which he is dissatisfied, file in the office of the clerk of the *circuit court of the county in which the aggrieved person is licensed or seeking licensure to conduct business* [~~Franklin Circuit Court~~] an attested copy of the order, of all the evidence heard, and of all the steps taken by the board relative to the contested order, but shall first post a bond to secure the costs of that action, in a sum approved by the circuit clerk, with a corporate surety approved by the department of insurance as to solvency and responsibility and authorized to transact business

in this state.

(3) The board and the licensee or applicant shall be necessary parties to such appeals. The circuit court clerk shall docket the case as though it were a petition in equity, and shall immediately issue a summons for the board, if the appeal is taken by an applicant or licensee, or a summons for the board and the licensee, if the appeal is prosecuted by a citizen. The summons shall be returnable in the same manner as summons in equity cases. If the appeal is from an order refusing, revoking or suspending a license, the board, when served with the summons, or such person as the board may designate, shall appear and defend the action of the board in refusing, revoking or suspending the license in question. If the appeal is from an order granting or refusing to revoke or suspend a license the burden of appearing and defending the action of the board shall be upon the licensee.

(4) No formal pleading shall be required in appeals from orders of the board.

Section 2. KRS 243.570 is amended to read as follows:

(1) The case shall be set down by the court for as early a day as possible for a hearing, and shall in all respects be expedited in the same manner as a declaratory judgment suit.

(2) No new or additional evidence shall be introduced in the *circuit court* [~~Franklin Circuit Court~~] except as to the fraud or misconduct of some party engaged in the administration of this chapter and affecting the order appealed from, but the court shall otherwise hear the case upon the record as attested by the board, and shall in all respects dispose of the appeal in a summary manner. Its review shall be limited to determining whether or not:

(a) The board acted without or in excess of its powers;

(b) The order appealed from was procured by fraud;

(c) If questions of fact are in issue, whether or not any substantial evidence supports the order appealed from.

(3) After such a hearing the court shall enter a judgment sustaining or setting aside the order of the board appealed from or remanding the case to the board for further consideration.

(4) If the appeal is from an order of the board refusing, revoking or suspending a license, the costs shall be taxed against the applicant or licensee in any event. If the appeal is from an order issuing or refusing to revoke or suspend a license, the costs shall be taxed against the citizen who, feeling himself aggrieved, has contested the order, if the order of the board issuing or refusing to revoke or suspend the license is sustained. If the order is set aside with direction to the board to refuse, revoke or suspend the license, the costs shall be taxed against the licensee.

Section 3. KRS 243.580 is amended to read as follows:

(1) No order of the board issuing a license shall become effective, and no license under that order shall be issued, until the expiration of ten (10) days after the date of the entry of the order. If, within the period of ten (10) days, an appeal from the order of the board has been filed as provided by KRS 243.560 the order shall not become effective until the appeal has been finally determined.

(2) If a license is revoked or suspended by an order of the board, the licensee shall at once suspend all operations authorized under his license, except as provided by KRS 243.540, though he files an appeal in the *circuit court* [~~Franklin Circuit Court~~] from the order of revocation or suspension.

(3) No court may enjoin the operation of an order of revocation or suspension pending an appeal. If upon appeal to the *circuit court* [~~Franklin Circuit Court~~] an order of suspension or revocation is upheld, or if an order refusing to suspend or revoke a license is reversed, and an appeal is taken to the Court of Appeals, no court may enjoin the operation of the judgment of the *circuit court* [~~Franklin Circuit Court~~] pending the appeal.

Section 4. KRS 243.590 is amended to read as follows:

Any party aggrieved by a judgment of the *circuit court* [~~Franklin Circuit Court~~] may appeal to the Court of Appeals in accordance with the Rules of Civil Procedure.

Motions, Petitions, and Communications(Continued)

The following Floor Amendments were filed to Bills and Resolutions:

Floor Amendment No. 1 to **HB 60**, by Representative Nett:

Amend printed copy of House Committee Substitute to **HB 60** on page 1, before line 1 by inserting the following:

"SECTION 1. A NEW SECTION OF KRS CHAPTER 118 IS CREATED TO READ AS FOLLOWS:

AS used in Sections 2 to 11 of this Act, "political party" means each political party that cast ten *percent (10%) or more of the vote for governor in the preceding election, or has a registration equal to ten percent (10%) or more of the total registered voters in the Commonwealth.*

SECTION 2. A NEW SECTION OF KRS CHAPTER 118 IS CREATED TO READ AS FOLLOWS:

(1) On the regular primary election day, in accordance with KRS 118.025 in each presidential election year, the Commonwealth of Kentucky shall conduct presidential preference primary elections within each political party.

(2) Hours of voting shall be in accordance with KRS 118.035.

(3) The cost of election, officials, and the entire method of conducting the presidential preference primary shall be in accordance with Kentucky statutory provisions on primary elections.

SECTION 3. A NEW SECTION OF KRS CHAPTER 118 IS CREATED TO READ AS FOLLOWS:

To qualify to vote in a presidential preference primary in the Commonwealth a voter must register to vote in the same manner as prescribed in KRS Chapter 116. A voter shall vote only in the presidential preference primary of the political party for which he has declared a preference as required by KRS 116.055.

SECTION 4. A NEW SECTION OF KRS CHAPTER 118 IS CREATED TO READ AS FOLLOWS:

(1) The state board of elections shall convene in Frankfort ninety (90) days before the date fixed by law for the holding of primary elections. At the meeting required by this section, the board shall nominate as presidential preference primary candidates all those generally advocated and nationally recognized as candidates of the political parties for the office of president of the United States. Immediately upon completion of this requirement, the board shall transmit a list of all such nominees selected to the secretary of state and shall also release the list to the news media.

(2) For purposes of this section, a candidate shall be considered generally advocated and nationally recognized if the candidate:

(a) Has a current national campaign and has participated in one (1) or more previous primaries; or

(b) Has major support by his party in his home state or is well recognized by the media as a leading independent; or

(c) Has received national exposure for his campaign; or

(d) Has a staff and resources to realistically campaign in the state; or

(e) Can reasonably expect to receive federal matching funds; or

(f) Submits documents to support that he is generally advocated and nationally recognized, and request that he be nominated by the board.

SECTION 5. A NEW SECTION OF KRS CHAPTER 118 IS CREATED TO READ AS FOLLOWS:

(1) Any person seeking the endorsement by a political party for the office of president of the United States who has not been nominated by the state board of elections, or any group organized in this state on behalf of, and with the consent of, such person, may file with the secretary of state certified petitions signed by five thousand (5,000) persons who, at the time they sign, are registered and qualified voters in this Commonwealth and are affiliated, by such registration, with the same political party as the candidate for whom petitions are filed.

(2) Such petitions shall be filed by the petitioners with the secretary of state no later than the last date prescribed by election law generally for filing nomination papers with the secretary of state prior to a primary.

(3) The petitions must state:

(a) The name of the candidate for nomination and the party of which he is a member.

(b) The name and address fo the chairman of the group circulating such petition.

(4) The secretary of state shall forthwith determine the sufficiency of petitions filed with him and shall immediately communicate his determination to the chairman of the group which has filed said petitions.

SECTION 6. A NEW SECTION OF KRS CHAPTER 118 IS CREATED TO READ AS FOLLOWS:

(1) The secretary of state shall forthwith contact each person who has been nominated by the state board of elections or by petition and notify him in writing by certified mail, with return receipt requested, that his name will appear as a candidate on the Kentucky presidential primary ballot of his party, provided that he:

(a) Deposits with the secretary of state the sum required by Section 7 of this Act; and

(b) Forwards to the secretary of state a notice of candidacy form, to be supplied by the secretary of state, along with the written notification required by this section.

(2) Failure of a candidate to deposit the fee required by Section 7 of this Act and to execute the notice of candidacy within fifteen (15) days after receipt of the written notification shall be a disclaimer and a withdrawal of his name from the primary.

SECTION 7. A NEW SECTION OF KRS CHAPTER 118 IS CREATED TO READ AS FOLLOWS:

Each candidate nominated for the presidential preference primary pursuant to Section 4 or 5 of this Act or by independent petition for president of the United States at the November election pursuant to KRS 118.315, must submit a filing fee in the sum of two hundred fifty dollars ($250) to the secretary of state in order to have his name certified as a candidate pursuant to KRS 118.215.

SECTION 8. A NEW SECTION OF KRS CHAPTER 118 IS CREATED TO READ AS FOLLOWS:

(1) The secretary of state shall place the names of all candidates who have been nominated by the state board of elections or by petition and who satisfy the requirements of Sections 6 and 7 of this Act on the official presidential preference primary ballot of their respective political parties. The secretary of state shall additionally place on the ballot of each political party a ballot slot for voters to cast as "uncommitted" vote. This vote shall be entitled to the same proportionate representation as a candidate under Section 10 of this Act, but delegates representing these voters shall not be bound by the first ballot requirement of Section 9 of this Act.

If no presidential candidates nominated by the board or by petition meet the requirements of Sections 6 and 7, then no presidential preference primary shall be held in the Commonwealth.

SECTION 9. A NEW SECTION OF KRS CHAPTER 118 IS CREATED TO READ AS FOLLOWS:

Upon completion of the official canvass of the results of the primary by the state board of elections, the secretary of state shall certify to the state chairman of each political party participating in the presidential preference primary the following:

(1) The names of the candidates entitled to delegate votes under provisions of Section 10 of this Act;

(2) The total vote received by each;

(3) A declaration that the results of the presidential preference primary, in accordance with the division of votes reflected by the official canvass, shall be the official vote cast by each political party at its

national convention, on the first ballot only, and shall be designated by Sections 1 to 11 of this Act as an automatic vote, expressing the will of the people of the Commonwealth of Kentucky; and

(4) After the vote on the first ballot by the political party at its national convention, as required by this section, all responsibility under Sections 1 to 11 of this Act shall terminate and further balloting shall be the prerogative of the political parties as might be prescribed by the rules of such political parties.

SECTION 10. A NEW SECTION OF KRS CHAPTER 118 IS CREATED TO READ AS FOLLOWS:

(1) The political parties in distributing authorized delegate votes among party candidates shall select one of the following methods of distribution:

(a) The candidates receiving the highest number of votes, provided each candidate receives at least fifteen percent (15%) of the total vote cast by his political party, shall be awarded a pro rata portion of the authorized delegate vote of his political party as follows:

1. The total vote received by the candidates qualifying under the provisions of Sections 1 to 11 of this Act and subsections herein shall, when combined, be equal to one hundred percent (100%);

2. Each such candidate shall share in the total percentage in direct proportion to the total vote received by him mathematically determined to be the percentage of the aggregate vote which represents one hundred percent (100%);

3. Each political party shall appropriate such percentage, as is determined by this section, to the total number of delegate votes as are allotted by the national committee of each party; or

(b) The candidate receiving the highest number of votes cast by his political party shall be awarded a pro rata portion of the authorized delegate vote of his political party in compliance with the state party rules for that party.

(2) Each political party shall, on the first ballot at its national convention, cast this Commonwealth's vote for the candidates as determined by the primary and calculated under this section. Provided, however, that in the event of the death or withdrawal of a candidate receiving votes under this section prior to the tabulation of the first ballot, any delegate votes allocated to such candidate shall be considered uncommitted. Withdrawal shall mean notice in writing by the candidate to the chairman of the Kentucky delegation prior to the first ballot.

SECTION 11. A NEW SECTION OF KRS CHAPTER 118 IS CREATED TO READ AS FOLLOWS:

It shall be the responsibility of the state chairman of each political party to notify his party's national committee, no later than January 30 of each year in which such presidential primary shall be conducted, of the provisions contained herein relating to the automatic vote on the first ballot as required under Sections 1 to 11 of this Act.

Section 12."

and by renumbering the remaining sections to conform.

Floor Amendment No. 2 to **HB 146**, by Representative Pearman:

Amend printed copy of **HB 146** on page 4, after line 18, by adding the following:

"Section 2. KRS 341.530 is amended to read as follows:

(1) The department shall maintain a reserve account for each subject employer, and shall, except as provided in KRS 341.590, credit to such account the total amount of all contributions paid by the employer on his own behalf. Nothing in this section or elsewhere in this chapter shall be construed to grant any employer or individual who is or was in his employ prior claims or rights to the amounts paid by him into the fund.

(2) Except as provided in subsection (3) of this section, all regular benefits paid to an eligible worker in accordance with KRS 341.380 plus the extended benefits paid in accordance with KRS 341.700 through KRS 341.740, subject to the provisions of paragraphs (a) and (b) below, shall be charged against the [~~reserve~~]

account of his most recent employer. No employer shall be deemed to be the most recent employer unless the eligible worker to whom benefits *are payable* [~~were paid~~] shall have *worked for* [~~been in the employ of~~] such employer *in each of ten (10) weeks* [~~for at least thirty (30) days~~] whether or not consecutive.

(a) Subject employers, which are not governmental entities as defined in KRS 341.069, shall be charged one-half (1/2) of the extended benefits paid in accordance with KRS 341.700 through 341.740; and

(b) Subject employers which are governmental entities, as defined in KRS 341.069, shall be charged for all extended benefits paid in accordance with KRS 341.700 through 341.740 for compensable weeks occurring on or after January 1, 1979 and for one-half (1/2) of the extended benefits paid for compensable weeks occurring prior to such date.

(3) Notwithstanding the provisions of subsection (2) of this section, benefits paid to an eligible worker and chargeable to an employer's reserve account under such subsection shall be charged against the pooled account if such worker was [~~in the employ of such employer for less than thirty (30) days whether or not consecutive, or~~] discharged by such employer for misconduct connected with his most recent work for such employer, voluntarily left his most recent work with such employer without good cause attributable to the employment, or such employer has continuously employed the worker without significant interruption since the end of the worker's base period and in the week with respect to which benefits are paid, wages and employment are provided to the worker by such employer to the same extent as during the base period, and the employer within a reasonable time, as prescribed by regulation of the secretary, notifies the department, in writing, of the alleged voluntary quitting, discharge for misconduct or continuing employment; provided, however, that no employer making payments to the fund in lieu of contributions shall be relieved of charges by reason of this subsection.

(4) Each subject employer's reserve account shall, unless terminated as of the computation date (as defined in subsection (6) of KRS 341.270), be charged with all benefits paid to eligible workers which are chargeable to such reserve account under subsection (2) of this section. A subject employer's reserve account shall be deemed to be terminated if he has ceased to be subject to this chapter, and his account has been closed and any balance remaining therein has been transferred to the fund's pooled account or to a successor's account as provided in KRS 341.540.

(5) Any subject employer may at any time make voluntary payments to the fund, additional to the contributions required under KRS 341.260 and 341.270. Notwithstanding any other provision of this chapter, contributions paid on or before the computation date and voluntary payments made within twenty days following the mailing of notices of new rates shall, in accordance with regulations established by the secretary, be credited to an employer's reserve account as of the computation date; provided, no voluntary payments shall be used in computing an employer's rate unless such payment is made prior to the expiration of one hundred and twenty days after the beginning of the year for which such rate is effective. The provisions of this subsection shall expire on July 1, 1983.

(6) Notwithstanding subsection (1) of this section, two (2) or more nonprofit (Internal Revenue Code 501(c)(3)) organizations may jointly request the secretary to establish a group reserve account for such nonprofit organizations. Two (2) or more governmental entities may jointly request the secretary to establish a group reserve account, and once established, such account shall remain in effect at least two (2) calendar years and thereafter until either dissolved at the discretion of the secretary or upon filing application for dissolution by the group members. Each member of a group shall be jointly and severally liable for all payments due under this chapter from each or all of such group members. The secretary shall prescribe such procedures as he deems necessary for the establishment, maintenance and dissolution of a group reserve account."

Floor Title Amendment to **HB 473**, by Representative Gray:

Amend printed copy of Committee Substitute to **HB 473** on page 1, by amending the title to read as follows: "AN ACT relating to deductions from wages of employes."

Floor Amendment No. 1 to **HB 473**, by Representative Gray:

Amend printed copy of Committee Substitute to **HB 473** on page 2, by deleting lines 15 through 19 in their entirety and by inserting in lieu thereof the following: "*Any employer who violates Section 1 of this Act shall be liable to the affected employe for the amount withheld plus interest at the rate of ten percent (10%) per annum.*"

Floor Amendment No. 1 to **HB 564**, by Representative Mann:

Amend printed copy of **HB 564** on page 1, after line 20, by adding the following:

"*(2) No portion of the certification shall be deleted for any subject or assignment in which the* *teacher has had experience during the five (5) year period preceding the request in an amount equivalent to one (1) year of full-time employment (140 days) during which at least one (1) period per day was in the subject or assignment corresponding to the portion of the certification requested for deletion.*"

and on page 2, by renumbering subsections *(2)*, *(3)* and *(4)* to read *(3)*, *(4)*, and *(5)*.

Floor Amendment No. 2 to **HB 564**, by Representative Mann:

Amend printed copy of **HB 564** on page 1, after line 20, by adding the following:

"*(2) No portion of the certification shall be deleted for any subject or assignment in which the teacher has had experience during the five (5) year period preceding the request in an amount equivalent to one (1) year of full-time employment (140 days) during which at least one (1) period per day was in the subject or assignment corresponding to the portion of the certification requested for deletion.*"

and on page 2, by renumbering subsections *(2)*, *(3)* and *(4)* to read *(3)*, *(4)*, and *(5)*.

Floor Amendment No. 1 to **HB 591**, by Representative Freibert:

Amend printed copy of House Committee Amendment No. 1 to **HB 591** on page 1, line 3, by inserting the following between the words "*coverage*" and "*at*": "*, including the applicable deductibles,*".

Floor Amendment No. 3 to **HB 684**, by Representative LeMaster:

Amend printed copy of **HB 684** on page 6, line 14, by deleting "*eight (8)*" and substituting in lieu thereof "*nine (9)*"; and

on page 6, line 15, by inserting after "*governor.*" "*It is recommended that*"; and by changing the "*T*" in "*The*" to "*t*"; and by deleting the word "*shall*"; and

on page 7, line 5, after "*commission,*" by inserting the following: "*one (1) member from a list of three (3) submitted by the Kentucky Division of the Harness Horsemen International,*".

Floor Amendment No. 1 to **HB 735**, by Representative Harper:

Amend printed copy of **HB 735** on page 2, line 4, after the word "*fund*" by adding the following: "*, in effect on the effective date of this Act, and*";

on page 3, line 18, by deleting "*made*" and by inserting in lieu thereof "*make*";

on page 3, line 23, after the word "*fund*" by adding the following: "*, in effect on the effective date of this Act, and*".

Floor Amendment No. 2 to **HB 735**, by Representative Harper:

Amend printed copy of **HB 735** on page 3, after line 25, by adding the following section:

"SECTION 3. A NEW SECTION OF KRS CHAPTER 342 IS CREATED TO READ AS FOLLOWS:

The additional assessment authorized by this Act shall not exceed five percent (5%)."

Floor Amendment No. 3 to **HB 735**, by Representative Gray:

Amend printed copy of **HB 735** on page 1, line 19, by deleting the word "*secretary*" and by inserting in lieu thereof "*commissioner*";

on page 2, line 2, by deleting the word "*cabinet*" and by inserting in lieu thereof "*department*";

on page 3, line 21, by deleting the word "*cabinet*" and by inserting in lieu thereof "*department*".

Floor Amendment No. 3 to **HB 738**, by Representative Bronger:

Amend printed copy of **HB 738** on page 1, after line 18, by inserting the following:

"Section 2. KRS 243.280 is amended to read as follows:

(1) A malt beverage retailer's license shall authorize the licensee to sell malt beverages at retail from the licensed premises only and to purchase malt beverages only from a brewer or distributor.

(2) [~~After June 17, 1978,~~] No malt beverage retailer's license shall be issued to sell malt beverages at retail for any premises from which gasoline and lubricating oil are sold or from which the servicing and repair of motor vehicles is conducted, unless there is maintained in inventory, *openly displayed and available for customer selection,* on the premises for sale at retail not less than *ten thousand dollars ($10,000)* [~~five thousand dollars ($5,000)~~] of food, groceries and related products valued at cost.

(3) The term food and groceries referred to in subsection (2) of this section shall mean any food or food products for home consumption, except the following:

(a) Candy, confectionary and chewing gum;
(b) Cigarettes and other tobacco products;
(c) Soft drinks, sodas and similar beverages;
(d) Patent medicines, vitamins, tonics and other dietary supplements;
(e) Pet foods;
(f) Foods sold through vending machines;
(g) Spirituous, malt or vinous liquors and cocktail mixes;
(h) Household supplies, soaps and paper products;
(i) Any other non-food item.

(4) This Act shall be effective as to each malt beverage retail license which is no longer eligible for a retail malt beverage license hereunder upon the expiration of any current license issued by the state malt beverage administrator."

Floor Amendment No. 1 to **HB 761**, by Representative Deskins:

Amend printed copy of **HB 761** on page 2, by deleting lines 4 through 7;

on page 2, line 8, by deleting "*(3)*" and by inserting in lieu thereof "*(2)*";

on page 3, after line 4, by adding the following:

"*(e) Third party claimant" means any individual, corporation, association, partnership or other legal entity asserting a claim against any individual, corporation, association, partnership or other legal entity insured under an insurance policy or insurance contract of an insurer.*"

on page 3, line 15, after the word "*shall*" by adding the following: "*, in addition to other damages, compensatory or punitive,*"

on page 3, delete lines 24 through 26 in their entirety;

on page 4, delete lines 1 and 2 in their entirety.

Floor Amendment No. 1 to **HB 807**, by Representative Robinson:

Amend printed copy of **HB 807** on page 3, after line 9 by inserting the following language:

"Section 2. KRS 242.127 is amended to read as follows:

(1) In any city of the *third or* fourth class in which prohibition is not in effect, an election may be held in the manner prescribed in KRS 242.010 to 242.040 and KRS 242.060 to 242.120 to take the sense of the people of the city as to the sale of distilled spirits or wine by the drink for consumption on the premises in the city.

(2) An election held pursuant to this section shall be city-wide.

Section 3. KRS 243.230 is amended to read as follows:

(1) Licenses to sell distilled spirits and wine by the drink for consumption on the premises may be issued only for premises located within cities of the first *or*[~~,~~] second [~~or third~~] class, or elsewhere in counties containing a city of the first *or*[~~,~~] second [~~or third~~] class if those counties maintain an adequate police force under KRS 70.540 and KRS 70.150 to 70.170.

(2) Notwithstanding any other provision of law, a special license to sell distilled spirits and wine by the drink for consumption on the premises may be issued for premises located within a city of the *third or* fourth class in which the majority of votes cast in the most recent election held pursuant to KRS 242.127 and

242.129 were in favor of the proposition voted upon provided the city has an adequate police force under KRS 95.710 and KRS 95.740 to 95.787.

(3) Licenses to sell distilled spirits or wine by the package may be issued only for premises located within incorporated cities, or elsewhere in counties containing a city of the first *or*[~~,~~] second [~~or third~~] class if those counties maintain an adequate police force under KRS 70.540 and 70.150 to 70.170.

(4) Notwithstanding subsection (3), the board may, after a field investigation, issue a license to sell distilled spirits and wine by the package at premises not located within any city if:

(a) Substantial aggregations of population would otherwise not have reasonable access to a licensed vendor;

(b) The premises to be licensed under this subsection shall be used exclusively for the sale of distilled spirits and wine by the package and shall not be used in any manner, in connection with a dance hall, roadhouse, restaurant, store or any other commercial enterprise, except as a drug store in which a registered pharmacist is employed; and

(c) The part of any premises to be licensed under this subsection which is available to the public shall not, except in the case of a drug store, exceed one hundred (100) square feet of floor space and shall not contain any chairs, benches, stools or similar furniture or fixtures.

(5) No retail package or drink license for the sale of distilled spirits or wine shall be issued for any premises used as or in connection with the operation of any business in which a substantial part of the commercial transaction consists of selling at retail staple groceries or gasoline and lubricating oil."

Floor Amendment No. 1 to **HB 846,** by Representative Ford:

Amend printed copy of **HB 846** on page 1, line 15, by deleting "*the death*" and inserting in lieu thereof the following: "*receipt of the certificate of death from the responsible undertaker or person acting as undertaker or the coroner*".

Floor Title Amendment to **HB 860,** by Representative Morris:

Amend printed copy of **HB 860** on page 1 by amending the title to read as follows: "*AN ACT relating to motor vehicles.*"

Floor Amendment No. 1 to **HB 860,** by Representative Mooris:

Amend printed copy of **HB 860** on page 12, after line 13, by adding the following:

"Section 1. KRS 134.810 is amended to read as follows:

(1) All state, county, school and special taxing district ad valorem taxes *on motor vehicles* shall be due and payable on or before the last day of the month in which registration *renewal* is required by law [~~for all motor vehicles renewed or transferred~~].

(2) All state, county, school and special taxing district ad valorem taxes due on motor vehicles shall become delinquent following the end of the month in which registration *renewal* is required by law.

(3) Any taxes which are paid within thirty (30) days of becoming delinquent shall be subject to a penalty of three percent (3%) on the taxes due. Any taxes which are not paid within thirty (30) days of becoming delinquent shall be subject to a penalty of ten percent (10%) on the taxes due. In addition, interest at an annual rate of fifteen percent (15%) shall accrue on said taxes and penalty from the date of delinquency. [~~The county clerk shall file a lien on any motor vehicle for which taxes have become delinquent on behalf of the state, county, school, and special taxing districts and record such lien on the face of the certificate of title and registration, and also record the lien in the manner in which lis pendens are recorded.~~]

(4) *(a)* When a motor vehicle has been transferred before registration renewal or before taxes due have been paid, the *owner as of January 1* [~~purchaser~~] shall *remain* [~~become~~] liable for the taxes on said motor vehicle.

(b) The department of revenue shall promulgate regulations to insure that the seller of a motor vehicle, transferred or sold after the assessment date and prior to the date for registration renewal as required by law, pays the property taxes due on the motor vehicle transferred or sold.

(5) In the event that an owner obtains a certificate of registration for a motor vehicle valid through the last day of his second birth month following the month and year in which he applied for a certificate of registration, all state, county, school, and special tax district ad valorem tax liabilities arising from the assessment date following initial registration are due and payable on or before the last day of the first birth month following said assessment date or date of transfer, whichever is earlier. Any taxes due under the provisions of this subsection and not paid as set forth above shall be considered delinquent and subject to the same interest and penalties found in subsection (3) of this section.

(6) In the event that a motor vehicle is titled in the Commonwealth of Kentucky, or has otherwise

obtained a taxable situs within Kentucky, and is not registered for operation on the highways as of the January 1 assessment date, ad valorem taxes will be due annually. Holders of legal or equitable title to such vehicles shall annually file a detailed vehicle listing with the appropriate property valuation administrator in a manner prescribed by the revenue cabinet by January 31. The property valuation administrator shall prepare an amendment to the recapitulation of total motor vehicle assessments and submit to the revenue cabinet by April 1. The revenue cabinet shall review and certify the amended recapitulation to the appropriate county clerk, who shall prepare and mail tax bills from the accounts by June 1. The bills shall be due and payable on or before July 31, with penalty and interest applicable after that date as set forth in subsection (3) of this section.

Section 2. KRS 186.190 is amended to read as follows:

(1) Whenever a motor vehicle that has been previously registered changes ownership, the registration plate shall remain *with the person who originally registered the vehicle transferred or sold* [~~upon such motor vehicle as a part of it until the expiration of the registration year~~].

(2) No person shall purchase, sell or trade any motor vehicle without delivering to the county clerk of the county in which the sale or trade is made the current *title* [~~registration receipt~~] issued on the motor vehicle and *the vehicle transaction record* [~~the bill of sale~~].

(3) Upon delivery of the *title* [~~registration receipt~~] and the *vehicle transaction record* [~~bill of sale~~] to the county clerk of the county in which the sale or trade was made, the seller shall pay to the county clerk a transfer fee of one dollar ($1.00), which shall be remitted to the transportation cabinet. The county clerk shall thereupon issue to the purchaser a transfer of registration bearing the same data and information as contained on the original registration receipt, except the change in name and address. The seller shall pay to the county clerk a fee of two dollars ($2.00) for his services.

(4) Whenever a county clerk issues to a purchaser a transfer of registration in a county other than the one in which the motor vehicle was originally registered, the clerk shall immediately mail one (1) copy of the transfer of registration to the clerk of the county of original registration.

(5) If the owner junks or otherwise renders a motor vehicle unfit for future use *or fails to purchase another vehicle,* he shall *within thirty (30) days* deliver the *certificate of registration, certificate of title,* registration plate, [~~and~~] registration receipt *and shall pay any property taxes due and not yet paid* to the county clerk of the county in which the motor vehicle is junked. The county clerk shall immediately return the *certificate of title,* plate and receipt to the transportation cabinet. The owner shall pay to the county clerk fifty cents (50) for his services.

(6) A licensed motor vehicle dealer shall not be required to pay the transfer fee provided by this section, but shall be required to pay the county clerk's fee provided by this section.

(7) The registration receipt issued by the clerk under this section shall contain information as required by the department of vehicle regulation.

Section 3. KRS 138.460 is amended to read as follows:

(1) On and after July 1, 1972 a tax levied upon its retail price at the rate of five percent shall be paid on the use in this state of every motor vehicle, except those exempted by KRS 138.470, at the time and in the manner provided in this section. [~~In the case of trucks of gross weight in excess of ten thousand pounds (10,000 lbs.) the tax shall be levied upon ninety percent of the retail price of the vehicle.~~]

(2) The tax shall be collected by the county clerk or other officer with whom the vehicle is required to be registered *or titled*:

(a) When he collects the registration *or title* fee for registering *or titling* and licensing a motor vehicle the first time it is offered for registration *or titling* in this state,

(b) Or upon the transfer of ownership of any motor vehicle previously registered *or titled* in this state.

(3) The tax collected by the county clerk under this section shall be reported and remitted to the department of revenue on forms provided by the department and on such forms as the department may prescribe. The county clerk shall for his services in collecting the tax be entitled to retain an amount equal to three percent (3%) of the tax collected and accounted for.

(4) No county clerk or other officer shall register, *title* or issue any license tags to the owner of any motor vehicle subject to this tax, when the vehicle is then being offered for registration *or titling* for the first time, or transfer the ownership of any motor vehicle previously registered *or titled* in this state, unless the owner or his agent pays the tax levied under this section in addition to the transfer, registration *title* and license fees.

(5) When a resident of this state offers a motor vehicle for *either* registration *or title* for the first time in this state which was registered *or titled* in another state that levied a tax substantially identical to the tax levied under this section, such person shall be entitled to receive a credit against the tax imposed by this section equal to the amount of tax paid to the other state. No credit shall be given under this subsection for taxes paid in another state if that state does not grant similar credit for substantially identical taxes paid in this state.

(6) No county clerk or other officer shall register *title* or issue any license tags to the owner of any

motor vehicle subject to this tax, when the vehicle is then being offered for registration *or titling* for the first time, unless the seller or his agent delivers to the county clerk or other officer a certified or photostat copy of the manufacturer's price label for passenger cars or a certified or photostat copy of the itemized billing to the customer in the case of all other motor vehicles; and the clerk shall attach the certified or photostat copy to the copy of the certificate of registration and *certificate of title* [~~ownership~~] mailed to the department.

(7) Notwithstanding the provisions of KRS 138.450(4), in no case shall the tax be less than five dollars ($5.00) upon first registration, *titling* [~~of~~] or any transfer of ownership of a motor vehicle in this state, except where such vehicle is exempt from tax under KRS 138.470.

(8) Where a new motor vehicle is sold by a dealer in this state and the original purchaser returns the vehicle for any reason to the same dealer within sixty (60) days for a new vehicle replacement or a refund of the purchase price, the purchaser shall be entitled to a refund of the amount of usage tax received by the department of revenue as a result of the registration *or titling* of the returned vehicle. The registration *or titling* of the returned vehicle shall be cancelled and the vehicle shall be considered to have not been previously registered in Kentucky when resold by the dealer.

(9) When a manufacturer refunds the retail purchase price or replaces a new motor vehicle for the original purchaser within ninety (90) days because of malfunction or defect, the purchaser shall be entitled to a refund of the amount of motor vehicle usage tax received by the department of revenue as a result of the first registration *or titling*. No person shall be entitled to a refund unless he shall have filed with the department of revenue an affidavit from the manufacturer identifying the vehicle that was replaced and stating the date of replacement.

Section 4. KRS 186.021 is amended to read as follows:

No county clerk shall issue a registration for renewal *of* [~~or transfer for~~] any motor vehicle on which state, county, school, or special taxing district ad valorem taxes are due and have not been paid.

SECTION 5. A NEW SECTION OF KRS CHAPTER 134 IS CREATED TO READ AS FOLLOWS:

The finance and administration cabinet shall be responsible for payment of all expenses related to the development and implementation of computer and administrative systems necessary to carryout the provisions of this Act and, further, shall reimburse each state agency involved for all on-going operational costs incurred by each such agency in administering the provisions of this Act.

Section 11. The provisions of Sections 6 through 10 of this Act shall become effective January 1, 1985."

Floor Amendment No. 1 to **HB 900,** by Representative Stone:

Amend printed copy of **HB 900** on page 3, line 1, by deleting "*ten*" and by substituting therefor "*five*" and by deleting "*($10)*" and by substituting therefor "*($5)*";

and on page 3, line 2, by deleting "*court costs*" and by substituting therefor "*each court cost*";

and on page 3, line 3, by inserting after "*24A.180*" the following: "*, if he made an arrest or issued a citation related to the case,*";

and on page 3, line 6, by inserting after "*subsection*" the following: "*shall be paid monthly by the circuit clerk and*";

and on page 3, line 12, by deleting "*sixty*" and "*($60)*" and by deleting the closing bracket after "fifty" and the opening bracket before "$50" and by striking through "dollars", and by inserting after "be" the following: "*fifty-five dollars ($55) if the sheriff is eligible for costs pursuant to KRS 64.092(7) and fifty dollars ($50) if he is not*";

and on page 3, line 23, by deleting "*ten*" and by substituting therefor "*five*";

and on page 3, line 24, by deleting "*($10)*" and by substituting therefor "*($5)*" and by deleting "*court costs*" and by substituting therefor "*each court cost*";

and on page 3, line 25, by inserting after "*sheriff*" the following: "*, if the sheriff is eligible for court costs pursuant to KRS 64.092(7),*;

and on page 5, line 10, by deleting "*$42.00*" and by inserting therefor the following: "*$37.00 if the sheriff is eligible for costs pursuant to KRS 64.092(7) and $32.00 if he is not*";

and on page 5, line 12, by deleting "*$47.00*" and by inserting therefor the following: "*$42.00 if the* *sheriff is eligible for costs pursuant to KRS 64.092(7) and $37.00 if he is not*";

and on page 6, line 18, by deleting "*ten*" and by substituting therefor "*five*";

and on page 6, line 19, by deleting "*($10)*" and by substituting therefor "*($5)*" and by deleting "*court costs*" and by substituting therefor "*each court cost*";

and on page 6, line 20, by inserting after "*sheriff*" the following: "*, if the sheriff is eligible for costs pursuant to KRS 64.092(7),*".

Adjournment

Representative LeMaster moved that the House adjourn until 2:00 p.m., Thursday, March 15, 1984.

On the roll call the vote was yeas 50-Arnold, Barrows, Bendl, Bennett, Blevins, Brinkley, Caldwell, L. Clark, P. Clark, Cowan, Craddock, Crupper, Cyrus, Donnermeyer, Dunn, Endicott, Ford, Freibert, Gedling, Hancock, Handy, Head, Hines, Holbrook, Johnson, R. Jones, Kenton, Kidd, McBee, McElroy, McNutt, Moberly, Noland, O'Brien, Pearman, Petty, Priddy, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, Stone, Thomason, Todd, Van Horn, White, Yates. Nays 1-Maggard.

THURSDAY, MARCH 15, 1984

FORTY-SEVENTH LEGISLATIVE DAY

The House was called to order by Speaker Richardson.

Prayer by Reverend David Ralston, Faith Baptist Church, Louisville, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representative Petty.

Representative Brinkley moved that the absent member be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Brinkley moved that the reading of the Journal of March 14, 1984, be dispensed with and the same approved. Agreed.

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bills and Resolutions:

Appropriations and Revenue: **SB 287.**

Education: **SB 185.**

State Government: **SB 343, SB 357.**

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bills and Resolutions have been posted for Committee consideration:

Transportation: **SB 10, SB 86, SB 94, SB 107, SB 134, SB 263, SB 288, SJR 46, SJR 47.**

Labor and Industry: **SB 351.**

Report of Committees

The Committee on Rules reported **HB 651, HB 770, HB 797, HB 854, HB 869, HB 889, HB 939, HB 772, HB 111, HB 492, HB 633, HB 933, HB 1006, HJR 10, SB 3, SB 276, HB 499, HB 587, HB 655, HB 809, HB 826, HB 821, HB 642, HB 758, HB 847, HB 582, HB 679,** and **SB 133** have been posted for passage in Orders of the Day, March 16, 1984.

The Committee on Rules reported the following Bills have been recommitted:

Appropriations and Revenue: **HB 342, HB 703.**

Judiciary-Civil: **HB 645.**

Report of Committees

The Committee on Energy reported **HB 221,** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Ordered delivered to the Committee on Rules.

The Committee Substitute to **HB 221** is as follows:

HB 221, AN ACT relating to the public service commission.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 278 IS CREATED TO READ AS FOLLOWS:

(1) The public service commission shall provide a central clearinghouse of information on utility matters for all citizens of the Commonwealth. The commission shall collect and compile consumer complaints and inquiries, and maintain records of the final disposition or resolution of any complaint received. The commission shall use every means at its disposal to actually resolve any complaint received by providing information, investigation, mediation and referral services to customers where needed, and other appropriate means.

(2) The commission may refer a complaint to the utility being complained of, or to another government agency if appropriate, but it shall be the responsibility of the commission to record the disposition of any such complaint after referral.

(3) Whenever the commission is unable to resolve a complaint to the satisfaction of the complainant, the commission shall inform the complainant of other means of remedy available to him, including his right to a hearing on the matter before the public service commissioners.

(4) The commission shall maintain records of every complaint received, which records shall include the name and address of the complainant, the name of the utility complained of, the type or substance of the complaint, and steps taken in the disposition of the complaint, together with any other information deemed useful or desirable. Each month a cumulative report shall be presented to the commissioners of all unresolved complaints and of complaints resolved during the preceding month. Annually the commission shall report to the governor and the general assembly, the number and type of complaints received, their disposition, and other information deemed to be of interest.

(5) A complaint shall be recorded as resolved or disposed of only after the complainant has been notified and agrees to the classification.

(6) Whenever the commission staff finds that a complaint or group of similar complaints raises an issue which merits a decision by the commission, such as a need to clarify commission rules or an apparent persistent violation of commission standards by a utility, then the staff shall report the complaint or complaints to the commissioners together with an analysis of the issue which is deemed to merit a decision by the commission.

(7) The commission shall maintain and publicize a toll-free telephone number so that any utility customer in Kentucky can contact the commission offices during regular office hours to register a complaint or obtain information concerning utility matters without incurring a toll charge for the call.

The Committee on Energy reported **HB 696** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 696, AN ACT relating to the public service commission.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 278.310 is amended to read as follows:

All hearings and investigations before the commission or any commissioner shall be governed by rules adopted by the commission, and in the conduct thereof neither the commission nor the commissioner shall be bound by the technical rules of legal evidence. *The commission staff, including consultants, may evaluate evidence and comment on matters that may be noticed by the commission; however, the commission staff shall not supply the commission with any matters outside the record, including but not limited to reports, investigations, calculations or assumptions made by the staff, unless the staff member supplying such information is offered as a witness on these matters at a hearing.*

The Committee on Judiciary-Civil reported **HB 8,** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Ordered delivered to the Committee on Rules.

The Committee Amendment No. 1 to **HB 8** is as follows:

Amend printed copy of **HB 8,** on page 2, line 13, by deleting the words "*coroner or*"

On page 2, line 15, after the period "." by adding the following:

"*The justice cabinet shall provide coroners who are licensed physicians with copies of materials from both the basic training course and annual inservice training course and shall certify such a coroner without attendance at training courses provided that the coroner passes an examination administered by the cabinet.*"

The Committee on Judiciary-Civil reported **HB 682, HB 722** with Committee Amendment attached thereto, **HB 724, HB 843,** and **SB 17** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 682, AN ACT relating to discrimination in employment.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 344.450 is amended to read as follows:

(1) Any person deeming himself injured by any act in violation of the provisions of this chapter shall have a civil cause of action in circuit court to enjoin further violations, and to recover the actual damages sustained by him, together with the costs of the law suit, including a reasonable fee for his attorney of record, all of which shall be in addition to any other remedies contained in this chapter.

(2) Any person deeming himself injured by discriminatory employment practices in violation of the provisions of this chapter shall file any civil cause of action for relief, damages, costs and reasonable attorney's fees, within one (1) year following the occurrence of the violation.

HB 722, AN ACT relating to descent and distribution.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 391.090 is amended to read as follows:

If, for purposes of intestate succession, a relationship of parent and child must be established to determine succession by, through, or from a person:

(1) A child born out of wedlock is the child of the mother;

(2) A child born out of wedlock is the child of the father, if:

(a) The father executes a declaration of paternity before a circuit court clerk;

(b) The father's paternity is established by an adjudication during his lifetime or is established by clear and convincing evidence after the father's death; or

(c) The natural parents participated in a marriage ceremony before or after the birth of the child, even though the attempted marriage is void.

[~~(1) The estate of a bastard shall descend and be distributed in the same manner as that of a person born in lawful wedlock, except that the inheritance shall go to the mother and her kindred and not to the father and his kindred.~~

~~(2) A bastard shall inherit only from his mother and his mother's kindred.~~

~~(3) If a man who has had a child by a woman afterward marries her, the child or its descendants, if recognized by him before or after marriage, shall be deemed legitimate.~~]

The Committee Amendment No. 1 to **HB 722** is as follows:

Amend printed copy of **HB 722,** page 2, line 8, by adding:

"Section 2. KRS 391.100 is amended to read as follows:

[~~(1) The issue of a marriage found to be incestuous by the conviction of the party or by the judgment of a court during the lifetime of the parties is not legitimate.~~

~~(2)~~] The issue of all [~~other~~] illegal or void marriages is legitimate."

HB 724, AN ACT relating to dissolution of marriage.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 403.050, Divorce from bed and board -- Grounds and legal effect, is repealed.

HB 843, AN ACT relating to marital property and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 61.690 is amended to read as follows:

(1) All retirement allowances and other benefits accrued or accruing to any person under the provisions of KRS 61.510 to 61.692 and 16.505 to 16.652 and 78.510 to 78.852, and the accumulated contributions and cash securities in the funds created under KRS 61.510 to 61.692 and 16.505 to 16.652 and 78.510 to 78.852, are hereby exempt from any state, county, or municipal tax, and shall not be subject to execution, attachment, garnishment, or any other process whatsoever, nor shall any assignment thereof be enforceable in any court.

(2) A retirement allowance, a disability allowance, a member's accumulated contributions or any other benefit under the system shall not be classified as marital property pursuant to KRS 403.190(1) in an action for dissolution of marriage if the property of the other party to the action is exempted from a marital property classification pursuant to KRS 161.700(2).

Section 2. Whereas it is grossly unfair when one spouse's retirement fund is exempted from classification as marital property in a divorce action and the other's is not, particularly when both retirement systems are funded by state funds, and whereas divorce actions are currently pending where this situation exists, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

SB 17, AN ACT relating to domestic violence and abuse.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 403 IS CREATED TO READ AS FOLLOWS:

This Act shall be interpreted by the courts of the Commonwealth of Kentucky to effectuate the following express legislative purposes:

(1) To allow persons who are victims of domestic violence and abuse to obtain effective, short-term protection against further violence and abuse in order that their lives will be as secure and as uninterrupted as possible;

(2) To expand the ability of law enforcement officers to effectively respond to situations involving domestic violence and abuse so as to prevent further such incidents and to provide assistance to the victims; and

(3) To provide for the collection of data concerning incidents of domestic violence and abuse in order to develop a comprehensive analysis of the incidence and causes of such violence and abuse.

SECTION 2. A NEW SECTION OF KRS CHAPTER 403 IS CREATED TO READ AS FOLLOWS:

As used in this Act:

(1) "Domestic violence and abuse" means physical injury, serious physical injury, assault or the infliction of fear of imminent physical injury, serious physical injury, or assault between family members; and

(2) "Family member" means a spouse, parent, child, stepchild or any other person related by consanguinity or affinity within the second degree.

SECTION 3. A NEW SECTION OF KRS CHAPTER 403 IS CREATED TO READ AS FOLLOWS:

(1) Any family member who has been a resident of this state for at least thirty (30) days may file a verified petition in the district court of the county in which he resides. If the petitioner has left his usual place of residence within this state in order to avoid domestic violence and abuse the petition may be filed in the district court in the county of his usual residence or in the district court in the county of current residence.

(2) A petition filed pursuant to this Act may be filed by the family member seeking relief or by an adult family member on behalf of a minor family member.

SECTION 4. A NEW SECTION OF KRS CHAPTER 403 IS CREATED TO READ AS FOLLOWS:

(1) A petition filed pursuant to this Act shall be verified and shall contain:

(a) The name, age, address, occupation and residence of the petitioner;

(b) The name, age, address, occupation and residence of the person or persons who have engaged in the alleged act or acts of domestic violence and abuse;

(c) The facts and circumstances which constituted the alleged domestic violence and abuse;

(d) The date and place of the marriage of the parties, if applicable; and

(e) The names, ages and addresses of the parties' minor children, if applicable.

(2) The petition shall be filed on forms prescribed by the administrative office of the courts and provided to the person seeking relief under this Act by the circuit clerk.

(3) Notwithstanding any provision of law to the contrary no filing fee or court costs shall be assessed against the petitioner in connection with filing a petition under this Act.

SECTION 5. A NEW SECTION OF KRS CHAPTER 403 IS CREATED TO READ AS FOLLOWS:

(1) Upon the filing of a petition, as provided for in Section 3 of this Act, the court, after review of the petition and determining that domestic violence and abuse exists, without a jury, shall utilize one of the alternatives provided for in Section 6 or Section 7 of this Act.

SECTION 6. A NEW SECTION OF KRS CHAPTER 403 IS CREATED TO READ AS FOLLOWS:

(1) If upon review of the petition, as provided for in Section 5 of this Act, the court determines that the allegations contained therein indicate the presence of an immediate and present danger of domestic violence and abuse the court shall issue, upon proper motion, ex parte, an emergency protective order:

(a) Restraining the adverse party from committing further acts of domestic violence and abuse; or

(b) Restraining the adverse party from disposing of or damaging any of the property of the parties; or

(c) Directing the adverse party to vacate the residence shared by the parties to the action; or any combination thereof.

(2) An emergency protective order issued in accordance with this section shall be issued without bond being required of the petitioner.

(3) An emergency protective order issued in accordance with this section shall be effective for a period of time fixed in the order, but not to exceed fourteen (14) days. Upon the issuance of an emergency protective order a date for a full hearing, as provided for in Section 7 of this Act shall be fixed not later than the expiration date of the emergency protective order.

(4) The adverse party shall be personally served with a copy of the emergency protective order, a copy of the notice setting the full hearing and a copy of the petition. Service may be made in the manner and by the persons authorized to serve subpoenas under the provisions of rule 45.03 of the Rules of Civil Procedure.

SECTION 7. A NEW SECTION OF KRS CHAPTER 403 IS CREATED TO READ AS FOLLOWS:

(1) If upon review of the petition, as provided for in Section 5 of this Act, the court determines that the allegations contained therein do not indicate the presence of an immediate and present danger of domestic violence and abuse the court shall fix a date, time and place for a hearing and shall cause a summons to be issued for the adverse party.

(2) The hearing shall be fixed not later than fourteen (14) days following the issuance of the summons.

(3) The summons, together with a copy of the order fixing the date of the hearing and a copy of the petition shall be personally served upon the adverse party. Service may be made in the manner and by the persons authorized to serve subpoenas under the provisions of rule 45.03 of the Rules of Civil Procedure.

SECTION 8. A NEW SECTION OF KRS CHAPTER 403 IS CREATED TO READ AS FOLLOWS:

(1) Following the hearing provided for under Sections 6 and 7 of this Act, the court, if it finds, from a preponderance of the evidence, that an act or acts of domestic violence and abuse have occurred and may again occur, may:

(a) Restrain the adverse party from committing further acts of domestic violence and abuse;

(b) Restrain the adverse party from disposing of or damaging any of the property of the parties;

(c) Direct the adverse party to vacate the residence shared by the parties to the action;

(d) Utilizing the criteria set forth in KRS 403.260, 403.270 and 403.320 award temporary custody;

(e) Utilizing the criteria set forth in KRS 403.200 and KRS 403.210 award temporary support;

(f) Direct that either or both parties receive counseling services available in the community; or

(g) Enter such other orders as the court believes will be of assistance in eliminating future acts of domestic violence and abuse.

(2) Any order entered pursuant to this section shall be effective for a period of time, fixed by the court, not to exceed one (1) year.

(3) Any order entered pursuant to this section restraining a party or parties to an action shall be issued without bond being required of the petitioner.

SECTION 9. A NEW SECTION OF KRS CHAPTER 403 IS CREATED TO READ AS FOLLOWS:

Upon the issuance of an order authorized by this Act, the court shall direct the appropriate law enforcement agency to assist the petitioner in having the provisions of the order complied with.

SECTION 10. A NEW SECTION OF KRS CHAPTER 403 IS CREATED TO READ AS FOLLOWS:

Violation of the terms or conditions of an order issued under the provisions of this Act, whether an emergency protective order, or an order following hearing, after service of same, shall constitute contempt of court.

SECTION 11. A NEW SECTION OF KRS CHAPTER 403 IS CREATED TO READ AS FOLLOWS:

If, following the entry of an order authorized by this Act, the petitioner or the adverse party initiate an action in the circuit court under the provisions of KRS Chapter 403, the orders of the circuit court shall, upon service of same, take precedence over orders issued pursuant to this Act.

SECTION 12. A NEW SECTION OF KRS CHAPTER 403 IS CREATED TO READ AS FOLLOWS:

(1) The court, when issuing an emergency protective order, or when causing the issuance of a summons, shall order the omission or deletion of the petitioner's address from any documents to be made available to the public, or to the person or persons who engaged in the alleged act or acts of domestic violence and abuse.

(2) A copy of each order issued pursuant to this Act shall be forwarded by the circuit clerk, within twenty-four (24) hours of its issuance to all law enforcement agencies with jurisdiction in the locale of the residence of the petitioner. Any order superseding or modifying an earlier order shall likewise be forwarded by the circuit clerk to the appropriate law enforcement agency.

(3) Each law enforcement agency shall maintain within its official records information as to the existence and current status of any order issued pursuant to the provisions of this Act, copies of which have been forwarded to the law enforcement agency in accordance with subsection (2) of this section.

(4) The official records maintained by law enforcement agencies in accordance with the provisions of subsection (3) of this section shall be confidential.

SECTION 13. A NEW SECTION OF KRS CHAPTER 403 IS CREATED TO READ AS FOLLOWS:

A person's right to apply for relief under the provisions of this Act shall not be effected by that person leaving the residence of the parties to avoid domestic violence and abuse.

SECTION 14. A NEW SECTION OF KRS CHAPTER 403 IS CREATED TO READ AS FOLLOWS:

Testimony offered by an adverse party in a hearing held pursuant to the provisions of this Act shall not be admissible in any criminal proceeding involving the same parties.

SECTION 15. A NEW SECTION OF KRS CHAPTER 403 IS CREATED TO READ AS FOLLOWS:

(1) Each law enforcement agency shall report all incidents of actual or suspected domestic violence and abuse within their knowledge to the cabinet for human resources within forty-eight (48) hours of learning of the incident or of the suspected incident.

(2) Law enforcement agencies shall provide all officers employed by them with a Kentucky law enforcement council approved education and training program designed to inform the officers of:

(a) The problems of domestic violence and abuse;

(b) The manner with which to deal with domestic violence and abuse;

(c) The services and facilities available to victims of domestic violence and abuse; and

(d) The provisions of this Act.

(3) Whenever a law enforcement officer has reason to suspect that a family or household member has been the victim of domestic violence and abuse the officer shall use all reasonable means to prevent further abuse, including but not limited to:

(a) Remaining at the location of the domestic violence and abuse so long as the officer reasonably suspects there is danger to the physical safety of individuals present without the presence of a law enforcement officer;

(b) Assisting the victim of domestic violence and abuse in obtaining medical treatment, including transporting the victim to the nearest medical facility capable of providing the necessary treatment; and

(c) Advising the victim immediately of the rights available to them, including the provisions of this Act.

Section 16. KRS 403.710, Protective Orders by Court, is repealed.

The Committee on Judiciary-Criminal reported **SB 54**, **SB 173**, and **SJR 23** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 54, AN ACT relating to the Kentucky Unified Juvenile Code.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Acts 1980, Chapter 280 and Acts 1982, Chapter 284 are repealed.

Section 2. It is the intent of the General Assembly that the amendments and repealers of Acts 1980, Chapter 280 not become effective and that statutes affected thereby remain as not amended or not repealed, except as affected by legislation other than Acts 1980, Chapter 280 and Acts 1982, Chapter 284 passed during the 1980, 1982, or this Act.

SB 173, AN ACT relating to crimes and punishments.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 439.315 is amended to read as follows:

(1) A person placed by a releasing authority on probation, parole, or other form of release subject to supervision by the corrections cabinet, or the office of community services, shall pay a fee to offset the costs of supervising the probation, parole, or other supervised release.

(2) The fees shall be as follows:

(a) For a felony, not less than five hundred dollars ($500) nor more than two thousand five hundred dollars ($2,500).

(b) For a misdemeanor, not less than one hundred dollars ($100) nor more than five hundred dollars ($500).

(3) The fee may be ordered paid in a lump sum or installments. If the fee is to be paid in a lump sum the person shall not be released from custody until the fee is paid in full. If the fee is to be paid in installments the person may be released on such terms and conditions as are set by the releasing authority.

(4) Upon the failure of a person to pay an installment on a fee set forth in a release agreement the releasing authority shall hold a hearing to determine why the installment has not been paid. Failure without good cause to pay an installment pursuant to a release agreement shall be grounds for the revocation of probation, parole, conditional release, or other form of release upon which the person has been released.

(5) The releasing authority shall hold a hearing to determine the ability of the defendant to make such payments and in making this determination the releasing authority shall take into account the amount of any fine imposed upon the defendant and any amount the defendant has been ordered to pay in restitution. The releasing authority may waive the payment of the fee in whole or in part if it finds that any of the following factors exist:

(a) The offender has diligently attempted, but has been unable, to obtain employment which provides him sufficient income to pay said fee.

(b) The offender is a student in a school, college, university, or course of vocational or technical training designed to fit the student for gainful employment. Certification of such student status shall be supplied to the releasing authority by the educational institution in which the offender is enrolled.

(c) The offender has an employment handicap, as determined by a physical, psychological, or psychiatric examination acceptable to, or ordered by, the releasing authority.

(d) The offender is responsible for the support of dependents, and the payment of said fee constitutes an undue hardship on the offender or his dependents.

(e) Any other factor which may bear upon the defendant's financial capacity to pay said fee.

(6) At any time during the pendency of the judgment or order rendered according to the terms of this section, a defendant may petition the releasing authority to modify or vacate its previous judgment or order on the grounds of change of circumstances with regard to the defendant's ability to pay said fee. The releasing authority shall advise the defendant of this right at the time of the rendering of the judgment or order placing the defendant on probation, parole, or other supervised release.

(7) All sums paid by the defendant pursuant to this section shall be paid into the general fund.

(8) When granting a release of any defendant by way of probation, parole, or otherwise, the releasing authority shall make the payment of this fee a condition of such release, unless the authority specifically

waives the fee, and nonpayment shall be grounds for revocation of the release as provided in KRS 533.050.

(9) All fees fixed under the provisions of this section shall be collected by the circuit clerk of the county involved.

(10) The corrections cabinet and office of community services shall for each person released under its supervision keep an account of all payments made, maintain copies of all receipts issued by the circuit clerk and report delinquencies to the court.

(11) In counties containing an urban-county form of government, persons placed by a releasing authority on probation, parole, or other release subject to supervision by the adult misdemeanant probation and work release agency of the urban-county government shall pay a fee to offset the costs of supervising the probation, parole, or other supervised release. The fees shall be assessed by the releasing authority in accordance with the provisions of subsections (2), (3), (4), (5), (6), (8) and (9) of this section. All sums paid by the defendant under this subsection shall be paid into the general fund of the urban-county government in lieu of the payment specified in subsection (7) of this section. All fees fixed under this subsection shall be collected by the circuit clerk of the urban county involved. The adult misdemeanant probation and work release agency of the urban-county government shall for each person released under its supervision keep an account of all payments made, maintain copies of all receipts issued by the circuit clerk and report delinquencies to the court.

SJR 23, A JOINT RESOLUTION authorizing and directing a comprehensive study of determinate sentencing to be undertaken by the 1984-85 Interim Joint Committee on Judiciary-Criminal.

WHEREAS, it is the responsibility of the General Assembly to ensure a fair and humane administration of justice throughout the Commonwealth; and

WHEREAS, it is the desire of the citizenry to maintain a penal system for the incarceration of criminals; and

WHEREAS, the system of indeterminate sentencing may contribute to overcrowding of the prison system throughout the state; NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the 1984-85 Interim Joint Committee on Judiciary-Criminal conduct a comprehensive study of determinate sentencing, conduct hearings and request the testimony of qualified witnesses as necessary, in order to determine the impact of a determinate sentencing system upon the Commonwealth and its prison system. The committee shall gather data concerning the impact of determinate sentencing in the areas of jail populations, costs, safety of the public, and other areas of concern.

Section 2. The 1984-85 Interim Joint Committee on Judiciary-Criminal shall submit a report on its findings and shall draft a bill concerning determinate sentencing no later than July 15, 1985.

Section 3. Staff services to be utilized in completing this study are estimated to be $15,000. These services shall be provided from the regular commission budget and are subject to the limitations and other research responsibilities of the commission.

The Committee on Banking and Insurance reported **HB 901** with Committee Amendment attached thereto, **HB 914, HB 916** with Committee Amendment attached thereto, **HB 1007, HB 1011** with Committee Substitute attached thereto, **SB 84, SB 255** with Committee Amendment attached thereto, and **SB 308** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 901, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 304.1-010 is amended to read as follows:

This chapter constitutes the Kentucky insurance code. This chapter consists of *several* [~~forty-three (43)~~] subtitles[~~, subtitles 1 to 42 and subtitle~~ 99]. The general assembly intends that each subtitle retain its separate identification within chapter 304 of the Kentucky Revised Statutes.

Section 2. KRS 304.3-090 is amended to read as follows:

No foreign insurer shall be authorized to transact insurance in Kentucky, which has not been issuing its own policies as an authorized insurer for at least three (3) years in its state or country of domicile, unless the insurer is otherwise qualified for a certificate of authority under this code and is:

(1) The wholly owned subsidiary *as defined in KRS 304.37-010(6)* of an insurer which is already an authorized insurer in Kentucky; or

(2) The successor in interest through statutory merger or statutory consolidation, or through bulk reinsurance of substantially all of the insurance risks in this state, of an authorized insurer; or

(3) An insurer organized solely for the purpose of insuring against earthquake, flood, nuclear radiation, war or other special hazards to property or liability for which, in the opinion of the commissioner, adequate provision is not made by insurers already authorized in this state.

Section 3. KRS 304.3-120 is amended to read as follows:

(1) Except as provided in subsection (2) of this section, to qualify for authority to transact insurance (as defined in subtitle 5), an insurer shall possess and thereafter maintain unimpaired paid-in capital stock (if a stock insurer) or unimpaired basic surplus (if a foreign mutual, reciprocal or Lloyd's insurer), and when first so authorized shall possess initial free surplus, all in amounts not less than as determined from the following table:

Foreign Mutual,		Reciprocal and		Stock Insurers	Lloyd's Insurers
Minimum Required Capital Stock	Initial Free Surplus	Minimum Required Basic Surplus	Initial Free Surplus		
$1,000,000	$2,000,000	$1,000,000	$2,000,000		

(2) An insurer holding a valid certificate of authority to transact insurance in this state immediately prior to July 15, 1982, may, if otherwise qualified therefor, continue to be so authorized while possessing paid-in capital stock (if a stock insurer) or surplus (if a mutual, reciprocal or Lloyd's insurer) as required for such authority immediately prior to July 15, 1982. The commissioner shall not authorize such an insurer to transact any other kinds of insurance unless it then complies with the requirements as to capital and surplus. Notwithstanding the other provisions hereof, the exception provided in this subsection (2) shall cease to apply to any such insurer from and after the date upon which it has accumulated surplus in an amount equal to two hundred percent (200%) of the initial free surplus (if a stock or foreign mutual, reciprocal or Lloyd's insurer) or the surplus (if a domestic mutual insurer) required under other provisions of this code to qualify for authority to transact the kind or kinds of insurance being transacted by it.

(3) Each insurer shall at all times maintain bona fide additional surplus in the amount of *two hundred fifty thousand dollars ($250,000). Insurers holding a valid certificate of authority to transact insurance in this state immediately prior to the effective date of this Act may, if otherwise qualified therefor, continue to be so authorized while possessing additional surplus as required for such authority immediately prior to this Act. The commissioner shall not authorize such an insurer to transact any other kinds of insurance unless it complies with this subsection. The exception provided in this subsection shall cease to apply to any insurer from and after the date upon which it has accumulated additional surplus equal to or in excess of the additional surplus required by this subsection*[~~at least thirty percent (30%) of the minimum capital or surplus requirement applicable to it or one hundred thousand dollars ($100,000), whichever is the lesser~~].

(4) As to surplus required for authority to transact one or more kinds of insurance and thereafter to be maintained, domestic mutual legal reserve insurers hereafter formed shall be governed by subtitle 24 *of this chapter.*

Section 4. KRS 304.4-010 is amended to read as follows:

The commissioner shall collect in advance fees, licenses and miscellaneous charges as follows:

(1)	Annual statement:	
(a)	Filing each year	$ 100.00
(b)	Filing additional or supplemental statement in same year	100.00
(2)	For filing charter documents:	
(a)	Original charter document, bylaws and records of organization, or certified copies thereof, required to be filed	100.00
(b)	Amended charter documents, bylaws and records of organization, or certified copies thereof	50.00
(3)	Certificate of authority:	
(a)	Issuance of original certificate	500.00
(b)	Amending, to add a line	50.00
(c)	Renewal, each year	100.00
(4)	Organization of domestic mutual insurers:	
	Filing application for solicitation permit and issuance of such permit	200.00
(5)	Self insurer:	
(a)	Application to become self-insurer under KRS 304.39	200.00
(b)	Annual review of status under KRS 304.39	100.00
(c)	Notification of self-insurance program under KRS 304.32 et seq	50.00

(6)	Agent's licenses, foreign and alien insurers:	
(a)	License for life insurer, whether or not health insurance is included, biennial	40.00
(b)	License for industrial life insurer, only, biennial	40.00
(c)	License for other insurance, each insurer represented, biennial	40.00
(d)	Limited license as travel insurance agent, biennial	40.00
(e)	Temporary license as property and casualty agent	20.00
(f)	Temporary license as life and health agent	20.00
(g)	Nonresident agent, biennial	50.00
(7)	Surplus lines broker, biennial	100.00
(8)	Solicitor's license, biennial	20.00
(9)	Adjuster's license, biennial	50.00
(10)	Consultant's license, biennial	50.00
(11)	Agent's licenses, fraternal benefit societies, *Subtitle 32 corporations, health maintenance organizations, prepaid dental plan organizations,* biennial	40.00
(12)	Examination, for or in connection with licensing of agents, solicitors, adjusters, and consultants	50.00
(13)	Annual registration fee of unauthorized insurer	500.00
(14)	Advisory organizations:	
(a)	Application for license	500.00
(b)	Annual renewal	100.00
(15)	Rate and form filings:	
(a)	Rate level revision filing in a non-competitive market	100.00
(b)	Other rate and form filings	5.00
(16)	Premium finance company license issuance and annual renewal	100.00
(17)	Cost of administering KRS 304.32 per membership contract in force on December 31st of each year	.10
(18)	Miscellaneous services:	
(a)	Filing other documents, each	5.00
(b)	Commissioner's certificate under seal, other than certificates, licenses, and other documents above provided for, each	5.00
(c)	For copies of any document on file with the commissioner, per page	.50
(d)	Copy of annual statements, per page	1.00

Section 5. KRS 304.9-140 is amended to read as follows:

(1) Notwithstanding the provisions of KRS 304.9-120, a nonresident of this state may be licensed as a life insurance agent upon compliance with the provisions of KRS 304.9-105, except as to the residence requirement[~~, if such person in good faith intends to transact and does transact in this state substantially all of his business as a life insurance agent~~].

(2) Notwithstanding the provisions of KRS 304.9-120, a nonresident of this state may be licensed as a general lines insurance agent upon compliance with the provisions of KRS 304.9-105 except as to the residence requirement provided that such agent shall not solicit business, advertise, or take applications for insurance within this state. Nothing herein is intended in any way to limit or prohibit such a nonresident licensed agent from entering this state to service an existing insurance policy.

(3) Nonresidents of this state other than those referred to in subsection (1) of this section, may be licensed as insurance agents in this state without taking an examination if:

(a) A written examination is required of applicants for an insurance agent's license in such other state.

(b) The appropriate official of such other state certifies that the applicant holds a currently valid license as an insurance agent in such other state and either passed such written examination or was the holder of an insurance agent's license prior to the time such written examination was required.

(c) In such other state, a resident of this state is privileged to procure an insurance agent's license upon the foregoing conditions and without discrimination as to fees or otherwise in favor of the residents of such other state.

(4) Notwithstanding the provisions of KRS 304.9-120, a nonresident of this state who is a full-time employe of an insurer or an affiliate of an insurer, and not compensated on a commission basis, may be licensed as a general lines insurance agent upon compliance with the provisions of KRS 304.9-105, except as to the residence requirement, and may act as an agent in Kentucky under said license, provided that such insurer maintains a place of business in this state.

Section 6. KRS 304.9-160 is amended to read as follows:

(1) After completion and filing of application with the commissioner as required by KRS 304.9-150, the commissioner shall subject each applicant for license as agent, or solicitor, unless exempted therefrom under KRS 304.9-170, to a written examination as to his competence to act as such agent or solicitor, which he must personally take and pass to the satisfaction of the commissioner prior to having his application for a

license considered by the commissioner.

(2) If the applicant is a firm or corporation the examination shall be so taken by each individual who is to be named in or registered as to the license, as provided in KRS 304.9-130.

(3) Examination of an applicant for an agent's license shall cover all the kinds of insurance which the appointing insurer or insurers are authorized to transact in this state; except as to a limited license provided for under KRS 304.9-230 and except that an applicant to be licensed as to health insurance only or mortgage guaranty insurance only shall not be examined as to other kinds of insurance. The commissioner shall permit applicants appointed by a life insurer authorized in this state to issue kinds of insurance other than life and health insurance and annuities, as provided in KRS 304.3-110, to take examinations covering either the other kinds of insurances, or covering life and health insurance and annuities only, or both. In the case of life insurers authorized to issue variable annuities in this state, the commissioner *may* [~~shall~~] require applicants appointed by such insurers to solicit such contracts in this state, in addition to completing examinations qualifying for a life agent's license, to successfully pass a supplemental examination covering the subject of variable annuities in order to solicit, place or procure variable annuity contracts in this state.

(4) Examination of an applicant for a solicitor's license shall cover all kinds of insurance, other than life or health insurance, as to which the appointing agent is licensed.

(5) Written application for the examination shall be filed with the commissioner by or on behalf of the applicant prior to the date fixed for the examination, as provided in KRS 304.9-190, and shall be accompanied by the fee for such application as specified in KRS 304.4-010.

Section 7. KRS 304.9-170 is amended to read as follows:

KRS 304.9-160 shall not apply and no such examination shall be required of:

(1) Any applicant for license covering the same kind or kinds of insurance as to which the applicant was licensed under a similar license in this state, other than a temporary license, within the *twenty-four (24)* [~~twelve (12)~~] months next preceding date of application, unless such previous license was revoked, suspended, or continuation thereof refused by the commissioner.

(2) In the commissioner's discretion, any applicant who has been licensed under a similar license in another state within twelve (12) months prior to his application for license in this state, and who files with the commissioner the certificate of the public official having supervision of insurance in such other state as to applicant's license and good conduct in such state.

(3) Persons representing public carriers who, in the course of such representation, solicit or sell insurance incidental to the transportation of persons or to the storage or transportation of property.

(4) Persons soliciting or negotiating credit life and credit health and accident insurance contracts.

(5) An applicant for an agent's license who is currently licensed as a solicitor or as a consultant as to the same kind or kinds of insurance, or has been so licensed within twelve (12) months next preceding date of application for the license, unless such previous license was revoked or suspended or continuation thereof refused by the commissioner.

(6) Any applicant for license covering the same kind or kinds of insurance as to which that applicant shall have held a valid license issued pursuant to Subtitle 9 of *this chapter* [~~KRS Chapter 304~~] or other applicable Kentucky law which was surrendered, pursuant to KRS 304.2-080 or other applicable law, in order to accept employment with the department of insurance, provided, however, that such applicant shall apply for re-licensing within one (1) year of the date of termination of his employment with the department of insurance.

(7) Persons soliciting or negotiating mechanical breakdown insurance contracts.

Section 8. KRS 304.9-230 is amended to read as follows:

(1) The commissioner may issue to an applicant qualified therefor under this code [~~a~~] limited agent's *licenses* [~~license~~] as follows:

(a) Covering motor vehicle insurance only[~~, if the licensee is not concurrently licensed as agent, or solicitor as to any other kind of insurance or class of insurance business~~].

(b) To persons representing common carriers, as provided in KRS 304.9-170.

(c) Covering only insurance against loss or damage resulting from failure of debtors to pay their obligations to the insured.

(d) Covering only credit life and credit health insurance.

(e) Covering agents writing mortgage guaranty insurance only.

(f) Covering agents (1) writing industrial life insurance only or (2) licensed by an insurer issuing policies having a face amount not in excess of five thousand dollars ($5,000.00) on the debit plan, if such agent actually collects and services a debit for such insurer.

(g) Covering agents writing only policies commonly referred to as mortgage redemption insurance, which consist of reducing term life insurance and accident and health insurance, if any, contained therein or sold in conjunction therewith.

(h) Covering agents writing crop-hail insurance only.

(i) Covering agents writing mechanical breakdown insurance only.

(2) The fee for licenses is as specified in KRS 304.4-010.

SECTION 9. A NEW SECTION OF SUBTITLE 9 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

No agent, solicitor, consultant, adjuster, or surplus lines broker shall directly or indirectly share his commission or other compensation received or to be received on account of a transaction under his license with any person not also licensed as agent, solicitor, consultant, adjuster, or surplus lines broker under this subtitle as to the kinds of insurance involved in the transaction. This provision shall not affect personal use of such commissions or compensation, payment of the regular salaries due employes of the agent, consultant, adjuster, or surplus lines broker, or distribution in the regular course of business of compensation and profits among members or stockholders of licensee firms or corporations.

Section 10. KRS 304.10-170 is amended to read as follows:

(1) Each broker shall, on or before the first day of *April* [~~March~~] of each year, file with the commissioner a verified statement of all surplus lines insurance transacted by him during the preceding calendar year.

(2) The statement shall be on forms as prescribed and furnished by the commissioner and shall show:

(a) Gross amount of each kind of insurance transacted;

(b) Aggregate of gross premiums charged;

(c) Aggregate of returned premiums paid insureds;

(d) Aggregate of net premiums; and

(e) Additional information as required by the commissioner.

Section 11. KRS 304.14-120 is amended to read as follows:

(1) No basic insurance policy or annuity contract form, or application form where written application is required and is to be made a part of the policy or contract, or printed rider or indorsement form or form of renewal certificate, shall be delivered, or issued for delivery in this state, unless the form has been filed with and approved by the commissioner. This provision shall not apply to surety bonds, or to specially rated inland marine risks, or to policies, riders, indorsements or forms of unique character designed for and used with relation to insurance upon a particular subject, or which relate to the manner or distribution of benefits or to the reservation of rights and benefits under life or health insurance policies and are used at the request of the individual policyholder, contract holder, or certificate holder. As to group insurance policies issued and delivered to an association outside this state but covering persons resident in this state, all or substantially all of the premiums for which are payable by the insured members, the group certificates to be delivered or issued for delivery in this state shall be filed with and approved by the commissioner. As to forms for use in property, marine (other than wet marine and transportation insurance), casualty and surety insurance coverages the filing required by this subsection may be made by rating organizations on behalf of its members and subscribers; but this provision shall not be deemed to prohibit any such member or subscriber from filing any such forms on its own behalf.

(2) Every such filing shall be made not less than sixty (60) days in advance of any such delivery. At the expiration of such sixty (60) days the form so filed shall be deemed approved unless prior thereto it has been affirmatively approved or disapproved by order of the commissioner. Approval of any such form by the commissioner shall constitute a waiver of any unexpired portion of such waiting period. The commissioner may extend by not more than a thirty-day period within which he may so affirmatively approve or disapprove any such form, by giving notice to the insurer of such extension before expiration of the initial sixty-day period. At the expiration of any such period as so extended, and in the absence of such prior affirmative approval or disapproval, any such form shall be deemed approved. The commissioner may at any time, after notice and for cause shown, withdraw any such approval.

(3) Any order of the commissioner disapproving any such form or any notice of the commissioner withdrawing a previous approval shall state the grounds therefor and the particulars thereof in such detail as reasonably to inform the insurer thereof. Any such withdrawal of a previously approved form shall be effective at expiration of such period, not less than thirty (30) days after the giving of the notice of withdrawal, as the commissioner shall in such notice prescribe.

(4) The commissioner may, by order, exempt from the requirements of this section for so long as he deems proper any insurance document or form or type thereof as specified in such order, to which, in his opinion, this section may not practicably be applied, or the filing and approval of which are, in his opinion, not desirable or necessary for the protection of the public.

(5) Appeals from orders of the commissioner disapproving any such form or withdrawing a previous approval *shall* [~~may~~] be taken as provided in subtitle 2 *of this chapter.*

Section 12. KRS 304.18-120 is amended to read as follows:

(1) A converted policy issued pursuant to the conversion privilege contained in a group policy providing hospital or surgical expense insurance shall provide on an expense incurred basis, the following minimum benefits:

(a) Hospital room and board benefits of twenty-five dollars ($25.00) per day, for a minimum duration of seventy (70) days for any one period of hospital confinement as defined in the converted policy.

(b) Miscellaneous hospital expense benefits for any one period of hospital confinement in a minimum amount up to twenty (20) times the hospital room and board daily benefit provided under the converted policy.

(c) Surgical operation expense benefits according to a relative value schedule, or a minimum of $250.

(d) The option to continue any existing benefits on account of pregnancy, childbirth, or miscarriage.

(2) The relative values in the surgical schedule shall be consistent with the schedule of operations generally offered by the insurer under group or individual health insurance policies. In the event that the insurer and the group policyholder agree upon one (1) or more additional plans of benefits to be available for converted policies, the applicant for the converted policy may, at his option, elect such a plan in lieu of a converted policy providing the benefits of *paragraphs* (a), (b) and (c) *of* [~~in~~] subsection (1) of this section. In no event shall the benefits be less than the minimums set forth in subsection (1) of this section.

(3) In no event need the insurer provide under the converted policy:

(a) Benefits on account of [~~pregnancy, childbirth, miscarriage,~~] abortion[~~,~~] or complications [~~of any~~] thereof,

(b) The benefits of *paragraphs* (a) and (b) of subsection (1) *of this section* [~~above~~], unless the group policy from which conversion is made provided hospital expense insurance benefits, or

(c) The benefits of *paragraph* (c) of subsection (1) *of this section* [~~above~~], unless the group policy provided surgical expense insurance benefits. Furthermore, the converted policy may contain any exclusion, reduction, or limitation contained in the group policy and any exclusion, reduction or limitation customarily used in individual policies issued by the insurer. With respect to any person who was covered by the group policy, the period specified in the time limit on certain defenses of the incontestable provision of the converted policy shall commence with the date the insurance on such person or member became effective under the group policy.

(4) The converted policy may provide that any hospital, surgical, or medical expense benefits otherwise payable thereunder with respect to any person covered thereunder may be reduced by the amount of any such benefits payable under the group policy for the same loss with respect to such person after termination of such person's coverage thereunder. The insurer shall not be entitled to use deterioration of health as the basis for refusing to renew a converted policy. The converted policy may provide for termination of coverage thereunder on any person when he is or could be covered by Medicare (Title XVIII of the United States Social Security Act as added by the Social Security Amendments of 1965 or as later amended or superseded).

(5) A converted policy may include a provision whereby the insurer may request information in advance of any premium due date of such policy of any person covered thereunder as to whether*:*

(a) He is covered for similar benefits by another hospital, surgical or medical expense insurance policy or hospital or medical service subscriber contract or medical practice or other prepayment plan or by any other plan or program*;* or

(b) Similar benefits are provided for, or available to, such person pursuant to, or in accordance with the requirements of, any statute.

If any such person is so covered or such statutory benefits are provided or available, and such person fails to furnish the insurer the details of such coverage within thirty-one days after the date of such request, the benefits payable under the converted policy may be based on the hospital or surgical or medical expenses actually incurred after excluding expenses to the extent of the amount of benefits provided or available therefor from any of the sources referred to in *paragraphs* (a) and (b) *of this subsection* [~~above~~]. A converted policy may contain any provisions permitted herein and may also include any other provisions not expressly prohibited by law; and any provision required to be permitted herein may be made a part of any such policy by means of an endorsement or rider.

Section 13. KRS 304.32-310 is amended to read as follows:

(1) A converted policy issued pursuant to the conversion privilege provided in KRS 340.32-300 providing hospital or surgical expense insurance shall provide on an expense incurred basis, the following minimum benefits:

(a) Hospital room and board benefits of twenty-five dollars ($25) per day, for a minimum duration of seventy (70) days for any one period of hospital confinement as defined in the converted policy.

(b) Miscellaneous hospital expense benefits for any one (1) period of hospital confinement in a minimum amount up to twenty (20) times the hospital room and board daily benefit provided under the converted policy.

(c) Surgical operation expense benefits according to a relative value schedule, or a minimum of $250.

(d) The option to continue any existing benefits on account of pregnancy, childbirth, or miscarriage.

(2) The relative values in the surgical schedule shall be consistent with the schedule of operations generally offered by the insurer under group or individual health insurance policies. In the event that the insurer and the employer agree upon one or more additional plans of benefits to be available for converted policies, the applicant for the converted policy may, at his option, elect such a plan in lieu of a converted policy providing the benefits of *paragraphs* (a), (b) and (c) *of* [~~in~~] subsection (1) of this section. In no event shall the benefits be less than the minimums set forth in subsection (1) of this section.

(3) In no event need the insurer provide under the converted policy:

(a) Benefits on account of [~~pregnancy, childbirth, miscarriage,~~] abortion[~~,~~] or complications [~~of any~~] thereof,

(b) The benefits of *paragraphs* (a) and (b) of subsection (1) *of this section* [~~above~~], unless the group policy from which conversion is made provided hospital expense insurance benefits, or

(c) The benefits of *paragraph* (c) of subsection (1) above, unless the group policy provided surgical expense insurance benefits. Furthermore, the converted policy may contain any exclusion, reduction, or limitation contained in the group policy and any exclusion, reduction or limitation customarily used in individual policies issued by the insurer. With respect to any person who was covered by the group policy, the period specified in the time limit on certain defenses of the incontestable provision of the converted policy shall commence with the date the insurance on such person or member became effective under the group policy.

(4) The converted policy may provide that any hospital, surgical, or medical expense benefits otherwise payable thereunder with respect to any person covered thereunder may be reduced by the amount of any such benefits payable under the group policy for the same loss with respect to such person after termination of such person's coverage thereunder. The insurer shall not be entitled to use deterioration of health as the basis for refusing to renew a converted policy. The converted policy may provide for termination of coverage thereunder on any person when he is or could be covered by Medicare (Title XVIII of the United States Social Security Act as added by the social security amendments of 1965 or as later amended or superseded).

(5) A converted policy may include a provision whereby the insurer may request information in advance of any premium due date of such policy of any person covered thereunder as to whether*:*

(a) He is covered for similar benefits by another hospital, surgical or medical expense insurance policy or hospital or medical service subscriber contract or medical practice or other prepayment plan or by any other plan or program*;* or

(b) Similar benefits are provided for, or available to, such person pursuant to, or in accordance with the requirements of, any statute.

If any such person is so covered or such statutory benefits are provided or available, and such person fails to furnish the insurer the details of such coverage within thirty (30)-one (31) days after the date of such request, the benefits payable under the converted policy may be based on the hospital or surgical or medical expenses actually incurred after excluding expenses to the extent of the amount of benefits provided or available therefor from any of the sources referred to in *paragraphs* (a) and (b) *of this subsection* [~~above~~]. A converted policy may contain any provisions permitted herein and may also include any other provisions not expressly prohibited by law; and any provision required to be permitted herein may be made a part of any such policy by means of an endorsement or rider.

SECTION 14. A NEW SECTION OF KRS 304.32-300 TO 304.32-320 IS CREATED TO READ AS FOLLOWS:

Any private employer doing business in this state who provides for his employes, on a self-insured basis, hospital or surgical benefits shall be subject to KRS 304.14-135. Failure to accept forms prescribed by the commissioner shall be punishable pursuant to KRS 304.99-010.

Section 15. KRS 304.36-080 is amended to read as follows:

(1) The association shall:

(a) Be obligated to the extent of the covered claims existing prior to the determination of insolvency and arising within thirty (30) days after the determination of insolvency, or before the policy expiration date if less than thirty (30) days after the determination, or before the insured replaces the policy or on request effects cancellation, if he does so within thirty (30) days of the determination, but such obligation shall include only that amount of each covered claim which is [~~in excess of two hundred dollar ($200) and is~~] less than fifty thousand dollars ($50,000)[~~, except that the association shall pay the full amount of any covered claim arising out of a workmen's compensation policy~~]. In no event shall the association be obligated to a policyholder or claimant in an amount in excess of the face amount of the policy from which the claim arises.

(b) Be deemed the insurer to the extent of its obligation on the covered claims and to such extent shall have all rights, duties, and obligations of the insolvent insurer as if the insurer had not become insolvent.

(c) Assess insurers amounts necessary to pay the obligations of the association under paragraph (a) *of this subsection* subsequent to an insolvency, the expenses of handling covered claims subsequent to an insolvency, and the cost of examinations under KRS 304.36-130 and other expenses authorized by this subtitle. The assessments of each member insurer shall be in the proportion that the net direct written premiums of the member insurer for the calendar year preceding the assessment bears to the net direct written premiums of all member insurers for the calendar year preceding the assessment. Each member insurer shall be notified of the assessment not later than thirty (30) days before it is due. No member insurer may be assessed in any year an amount greater than one percent of that member insurer's net direct written premiums for the calendar year preceding the assessment. If the maximum assessment, together with the other assets of the association, does not provide in any one year an amount sufficient to make all necessary payments, the funds available shall be prorated and the unpaid portion shall be paid as soon thereafter as funds become available. The association shall pay claims in any order which it may deem reasonable including the payment of claims as such are received from the claimants or in groups or categories of claims. The association may exempt or defer, in whole or in part, the assessment of any member insurer, if the assessment would cause the member insurer's financial statement to reflect amounts of capital or surplus less than the minimum amounts required for a certificate of authority by any jurisdiction in which the member insurer is authorized to transact insurance; provided, however, that during the period of deferment no dividends shall be paid to shareholders or policyholders. Deferred assessments shall be paid when such payment will not reduce capital and surplus below required minimums. Such payments shall be refunded to those companies receiving larger assessments by virtue of such deferment, or at the election of any such company, credited against future assessments. Each member insurer serving as a servicing facility may set off against any assessment, authorized payments made on covered claims and expenses incurred in the payment of such claims by such member insurer.

(d) Investigate claims brought against the association and adjust, compromise, settle, and pay covered claims to the extent of the association's obligation and deny all other claims.

(e) Notify such persons as the commissioner directs under KRS 304.36-100 (2) (a).

(f) Handle claims through its employes or through one or more insurers or other persons designated as servicing facilities. Designation of a servicing facility is subject to the approval of the commissioner, but such designation may be declined by a member insurer.

(g) Reimburse each servicing facility for obligations of the association paid by the facility and for expenses incurred by the facility while handling claims on behalf of the association and shall pay the other expenses of the association authorized by this subtitle.

(2) The association may:

(a) Appear in, defend, and appeal any action on a claim brought against the association.

(b) Employ or retain such persons as are necessary to handle claims and perform other duties of the association.

(c) Borrow funds necessary to effect the purposes of this subtitle in accord with the plan of operation.

(d) Sue or be sued.

(e) Negotiate and become a party to such contracts as are necessary to carry out the purpose of this subtitle.

(f) Perform such other acts as are necessary or proper to effectuate the purpose of this subtitle.

(g) Refund to the member insurers in proportion to the contribution of each member insurer to the association that amount by which the assets of the association exceed the liabilities, if, at the end of any calendar year, the board of directors finds that the assets of the association exceed the liabilities of the association as estimated by the board of directors for the coming year.

Section 16. KRS 136.392 is amended to read as follows:

(1) Every domestic, foreign or alien insurer, other than life and health insurers, which is either subject to or exempted from Kentucky premium taxes as levied pursuant to the provisions of either KRS 136.340, 136.350, 136.370 or 136.390, shall charge and collect a surcharge of one dollar and fifty cents ($1.50) upon each one hundred dollars ($100) of premium, assessments, or other charges, except for those municipal premium taxes, made by it for insurance coverage provided to its policyholders, on risk located in this state, whether such charges are designated as premiums, assessments or otherwise. *The* [~~Said~~] premium surcharge shall be collected by the insurer from its policyholders at the same time and in the same manner that its premium or other charge for the insurance coverage is collected. *The premium surcharge shall be disclosed to policyholders pursuant to regulations which shall be promulgated by the commissioner of insurance.* However, no insurer or its agent shall be entitled to any portion of any premium surcharge as a fee or commission for its collection. On or before the twentieth (20th) day of each month, each insurer shall report and remit to the department of revenue, on such forms as it may require, all premium surcharge moneys collected by it during its preceding monthly accounting period less any such monies returned to policyholders as applicable to the unearned portion of the premium on policies terminated by either the insured or the insurer. The funds derived from such premium surcharge, except as provided in subsection (2) of this section, shall be deposited in the state treasury, and shall constitute a fund allocated for the uses and purposes of the professional fire fighters foundation program fund (KRS 95A.220) and the law enforcement foundation program fund (KRS 15.430).

(2) Insurance premium surcharge funds collected from the policyholders of any domestic mutual company, cooperative or assessment fire insurance company shall be deposited in the state treasury, and shall be paid monthly by the state treasurer into the volunteer fire department aid fund as provided in KRS 17.250.

(3) Within five (5) days after the end of each month, all insurance premium surcharge proceeds deposited in the state treasury as set forth in subsection (1) of this section, shall be paid by the state treasurer into the professional fire fighters foundation program fund trust and agency account and the law enforcement foundation program fund trust and agency account. The amount paid into each account shall be proportionate to each fund's respective share of the total deposits, pursuant to KRS 42.190.

Section 17. KRS 304.40-250 is amended to read as follows:

It is the purpose of KRS 304.40-260 to *304.40-320* [~~304.40-330~~] to promote the health and general welfare of the inhabitants of the Commonwealth through the adoption of reforms in health care malpractice claims[~~, and by the establishment of the Kentucky patients' compensation fund which shall exist and operate for the public purpose of increasing the availability and lowering the cost of health care malpractice insurance, and assuring that health care malpractice judgments or settlements will be satisfied.~~] Such *purpose is* [~~purposes are~~] hereby declared to be *a* public *purpose* [~~purposes~~] for which public funds may be expended.

Section 18. KRS 304.40-260 is amended to read as follows:

As used in KRS 304.40-250 to *304.40-320* [~~304.40-330~~], the following words and terms shall be defined as follows:

(1) "Health care provider" means any physician, osteopath, dentist, podiatrist, nurse or nurse's assistant, certified registered nurse anesthetist, physical or occupational therapist, or psychologist, licensed to practice health care in this state; any hospital, medical clinic, medical foundation, health maintenance organization, extended care facility, intermediate care facility, nursing home, emergency treatment center, out-patient medical or surgical center, frontier nursing service, or any other facility or service licensed under any act of this state to provide health care within this state; or any officer, director, employer agent thereof; and any corporation, partnership or sole proprietorship which directly provides medical services to its employes;

(2)"Commissioner" means the commissioner of insurance;

(3) "Patient" means a natural person who receives health care from a licensed health care provider under a contract, express or implied;

(4) "Claimant" means the patient or spouse, parent, guardian, trustee, or other authorized agent of the patient;

(5) "Tort" means any legal wrong, breach of duty, or negligent or unlawful act or omission proximately causing injury or damage to another;

(6) "Malpractice" means any tort or breach of contract based on health care or professional services rendered, or which should have been rendered, by a health care provider to the patient;

(7) "Health care" means any act, or treatment performed or furnished, or which should have been performed or furnished, by any health care provider to a patient during that patient's care, treatment, or confinement for a physical or mental condition;

(8) [~~"Fund" means the Kentucky patients' compensation fund;~~

~~(9)~~] "Malpractice insurer" means any insurance authority or any insurance company properly engaged in the practice of writing malpractice liability insurance under authority of the commissioner of insurance.

Section 19. The following KRS sections are repealed:

304.9-420 Sharing of commissions.

304.40-330 Kentucky patients' compensation fund -- Membership -- Professional liability insurance -- Assessments.

The Committee Amendment No. 1 to **HB 901** is as follows:

Amend printed copy of **HB 901,** on page 33, after line 16 and before line 17, by adding the following:

"Section 19. KRS 304.12-030 is amended to read as follows:

(1) As used in this section:

(a) "Replacement" means any transaction in which new life insurance is to be purchased and by reason of such transaction existing life insurance has been or is to be:

1. Lapsed, forfeited, surrendered, or otherwise terminated; or

2. Converted to reduced paid-up insurance, continued as extended term insurance, or otherwise reduced in value by the use of nonforfeiture benefits or other policy values; or

3. Amended so as to effect either a reduction in benefits or in the term for which coverage would otherwise remain in force or for which benefits would be paid; or

4. Reissued with any reduction in cash value; or

5. Pledged as collateral or subjected to borrowing, whether in a single loan or under a schedule of borrowing over a period of time for amounts in the aggregate exceeding twenty-five percent (25%) of the loan value set forth in the policy.

(b) "Existing insurer" means the insurance company whose existing life insurance policy is or will be terminated or otherwise affected in a replacement transaction.

(c) "Replacing insurer" means the insurance company that issues new life insurance in a replacement transaction.

(d) "Existing life insurance" means any life insurance in force including life insurance under a binding or conditional receipt or a life insurance policy that is within an unconditional refund period, but excluding life insurance obtained through the exercise of a dividend option.

(2) Any person who solicits an application for new life insurance on the life of another and who knows, or with the exercise of reasonable inquiry should know, that such insurance will be purchased or otherwise acquired in a replacement transaction shall not issue new life insurance to the applicant until thirty (30) days after notice of such proposed replacement together with a copy of all soliciting material shown or delivered to the proposed insured has been delivered by the replacing insurer to the existing insurer.

(3) No replacing insurer shall issue any life insurance in a replacement transaction to replace existing life insurance unless the replacing insurer shall agree in writing with the insured that:

(a) The new life insurance issued by the replacing insurer will not be contestable by it in the event of such insured's death to any greater extent than the existing life insurance would have been contestable by the existing insurer had such replacement not taken place provided, however, that this subsection 3(a) shall not apply to that amount of insurance written and issued which exceeds the amount of the existing life insurance; and

(b) The new life insurance issued by the replacing insurer may be voluntarily surrendered by the insured at any time within thirty (30) days after its delivery to the insured in exchange for a full refund of premiums paid by the replacing insurer to the insured.

(4) Unless otherwise specifically included, subsections (2) and (3) of this section shall not apply to:

(a) Annuities;

(b) Individual credit life insurance;

(c) Group life insurance, group credit life insurance, and life insurance policies issued in connection with a pension, profit-sharing or other benefit plan qualifying for tax deductibility of premiums, provided, however, that as to any plan described in this subsection, full and complete disclosure of all material facts shall be given to the administrator of any plan to be replaced;

(d) Variable life insurance under which the death benefits and cash values vary in accordance with unit values of investments held in a separate account;

(e) An application to the existing insurer that issued the existing life insurance and a contractual *policy* change or conversion privilege *or a privilege of policy change granted by the insurer* is being exercised;

(f) Existing life insurance that is a non-convertible term life insurance policy which will expire in five years or less and cannot be renewed; or

(g) Proposed life insurance that is to replace *existing* life insurance [~~under a binding or conditional receipt~~] issued by the same company.

(5) No person shall make or issue, or cause to be made or issued, any written or oral statement of a material fact which is untrue or omit to state a material fact necessary in order to make the statements made, in the light of circumstances under which they were made, not misleading with respect to comparisons as to the terms, conditions, or benefits contained in any policy for the purpose of inducing or attempting or tending to induce the policyholder to lapse, forfeit, borrow against, surrender, retain, exchange, modify, convert, or otherwise affect or dispose of any insurance policy."

Page 33, line 17, by deleting "19" and inserting in lieu thereof "20"

HB 914, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 304.24-290 is amended to read as follows:

The insurer shall establish and maintain in this state its principal office and place of business. The insurer's principal records shall be kept *either* at its principal office *or, with the approval of the commissioner, at its place of business in any other state where it, or its affiliate as defined in subsection (4) of KRS 304.37-010, is engaged in the business of entering into contracts of insurance.*

HB 916, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 304.9-070 is amended to read as follows:

An adjuster is any person, who for fee or compensation as an *employe of an insurer or an* independent contractor investigates *or* [~~and~~] settles[~~, and reports to his principal relative to,~~] claims arising under insurance contracts or annuity contracts, on behalf solely of either the insurer or the insured. The definition of adjuster shall not be deemed to include, and license as an adjuster shall not be required of:

(1) Attorneys at law admitted to practice in this state;

(2) [~~Salaried employes of the insurer, or of an affiliated insurance company or of a managing general agent representing the insurer;~~

~~(3)~~] Licensed resident agent of the insurer to whom claim authority has been granted by the insurer *if the agent receives no compensation for performing adjusting services*;

(3)[~~(4)~~] Salaried traveling representatives of a mutual or reciprocal insurer*;*

(4) Persons employed only for the purpose of obtaining facts surrounding a loss or furnishing technical assistance to a licensed adjuster, including but not limited to photographers, estimators, private investigators, engineers, and handwriting experts.

Section 2. KRS 304.9-080 is amended to read as follows:

(1) No person shall in this state be, act as, or hold himself out as an agent, solicitor, consultant, or adjuster [~~(other than company staff adjusters)~~] unless then licensed as an agent, solicitor, consultant, or adjuster respectively.

(2) No agent, or solicitor shall solicit or take applications for, procure or place for others any kind of insurance as to which he is not then licensed. No consultant shall act as such with respect to any kind of insurance as to which he is not then licensed as a consultant.

(3) A consultant license must cover either or both of the following categories, as selected by the licensee:

(a) General lines.

(b) Life and health.

A consultant licensed in both categories shall qualify separately for, and be licensed in, each category.

(4) No person licensed as a consultant shall act as a consultant until he has filed with the commissioner a bond or insurance as prescribed in KRS 304.9-330.

(5) Except as provided in KRS 304.9-410, no agent shall place any insurance with any insurer as to which he does not then hold a license and appointment as agent under this subtitle.

(6) The commissioner shall prescribe and furnish all forms required under this subtitle as to licenses and appointments.

Section 3. KRS 304.9-430 is amended to read as follows:

(1) No person shall in this state act as or hold himself out to be an adjuster unless then licensed *by the Kentucky department of insurance as an adjuster* [~~therefor under this subtitle~~]. Application for license shall be made to the commissioner according to forms as prescribed and furnished by him. The commissioner shall issue the license as to persons qualified therefor upon payment of the license application fee stated in KRS 304.4-010.

(2) To be licensed as an adjuster the applicant must be qualified therefor as follows:

(a) Must, if an individual be *twenty-one (21)* [~~eighteen (18)~~] years or more of age.

(b) Must be a resident of Kentucky, or resident of another state which will permit residents of Kentucky to act as adjusters in such other state.

(c) Must be *a full-time salaried employe of an insurer,* a full time salaried employe of a licensed adjuster or a graduate of a recognized law school, or must have had experience or special education or training as to the handling of loss claims under insurance contracts of sufficient duration and extent to make him reasonably competent to fulfill the responsibilities of an adjuster.

(d) Must be trustworthy and of good reputation.

(e) Must have and maintain [~~in this state~~] an office accessible to the public, and keep therein the usual and customary records pertaining to transactions under the license. This provision shall not be deemed to prohibit maintenance of such office in the office *of an insurer,* of the employer, or in the home of the licensee.

(f) Must have successfully passed a written examination prescribed by the commissioner, except if the applicant has successfully passed a written examination in a state which permits residents of Kentucky to act as adjusters in such other state.

(3) A firm or corporation, whether or not organized under the laws of this state, may be licensed as an adjuster if each individual who is to exercise the license powers is named in the license or registered with the commissioner under the license, and is qualified as for an individual license as adjuster. An additional full license fee shall be paid as to each individual in excess of one (1), so named in the license or so registered to exercise its powers.

(4) Except, that no such adjuster's license or qualifications shall be required as to any adjuster who is sent into this state on behalf of an insurer for the purpose of investigating or making adjustment of a particular loss under an insurance policy, or for the adjustment of a series of losses resulting from a catastrophe common to all such losses.

SECTION 4. A NEW SECTION OF KRS 304.9-430 to 304.9-440 IS CREATED TO READ AS FOLLOWS:

(1) In the event that an applicant for an adjuster's license meets the qualification requirements of

KRS 304.9-430 except that he has not had experience or special education or training as to the handling of loss claims under insurance contracts of sufficient duration and extent to make him reasonably confident to fulfill the responsibilities as an adjuster, he shall not be required to take and successfully complete the prescribed written examination and may be issued a temporary license as an apprentice adjuster for a period not to exceed one (1) year.

(2) Such a temporary license as an apprentice adjuster shall be subject to the following terms and conditions:

(a) A person holding a temporary license as apprentice adjuster shall have all of the privileges and obligations of an adjuster licensed under the insurance code;

(b) A person holding a temporary license as an apprentice adjuster shall at all times be a full-time salaried employe of an insurer or an adjuster and subject to training, direction, and control by a licensed adjuster acting in the same capacity as that which the applicant applied for;

(c) A temporary license as apprentice adjuster shall be subject to suspension, revocation, or conditions pursuant to KRS 304.9-440; and

(d) A person may hold only one (1) temporary license as an apprentice adjuster.

SECTION 5. A NEW SECTION OF KRS 304.9-430 to 304.9-440 IS CREATED TO READ AS FOLLOWS:

Persons who were exempt from the adjusters licensing requirement prior to the effective date of this Act by virtue of being salaried employes of an insurer, of one of its affiliates, or of its managing general agents and have at least one (1) year's adjusting experience on the effective date of this Act shall be exempt from the written examination required by KRS 304.9-430.

SECTION 6. A NEW SECTION OF SUBTITLE 9 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

An authorized insurer shall not do business in Kentucky with an adjuster who is unlicensed in violation of KRS 304.9-070 and 304.9-080. This section shall not apply to transactions between an authorized insurer and persons providing adjusting services pursuant to KRS 304.9-070(1), (2), or (3) or 304.9-430(4).

Section 7. This Act shall be effective on April 1, 1985.

The Committee Amendment No. 1 to **HB 916** is as follows:

Amend printed copy of **HB 916,** page 2, line 5, by deleting "." and inserting in lieu thereof ";"

Page 2, after line 5 and before line 6, by inserting the following:

"*(5) Persons performing adjusting services under their limited insurance agent's licenses for crop-hail insurance pursuant to KRS 304.9-230*"

Page 3, line 17, by inserting after "KRS 304.4-101" the words "*, except that salaried employes of domestic insurers who are required to be licensed as adjuster shall not be required to pay the license fee*"

Page 7, line 4, by deleting "*or*" the first time it appears on the line;

Page 7, line 4, by inserting after "*(3)*" the following "*, (4), or (5)*"

HB 1007, AN ACT relating to health insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF SUBTITLE 17 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

All insurers issuing individual health insurance policies in this state shall make available and offer to the purchaser coverage for Alzheimer's disease, including reimbursement for custodial care.

SECTION 2. A NEW SECTION OF SUBTITLE 18 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

All insurers issuing group or blanket health insurance policies and certificates issued thereunder in this state shall make available and offer to the master policyholder coverage for Alzheimer's disease, including reimbursement for custodial care.

SECTION 3. A NEW SECTION OF SUBTITLE 32 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

All nonprofit hospital, medical-surgical, dental and health service corporations issuing policies in this *state shall make available and offer to include benefits for Alzheimer's disease, including reimbursement for custodial care.*

SECTION 4. A NEW SECTION OF KRS SUBTITLE 38 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

Health maintenance organizations issuing policies in this state shall make available and offer to include benefits for Alzheimer's disease, including reimbursement for custodial care.

HB 1011, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF SUBTITLE 15 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

(1) As used in this section:

(a) "Policy" includes life insurance contracts, annuity contracts, and certificates issued by a fraternal benefit society which provide for policy loans;

(b) "Policyholders" includes the owner of the policy or the person designated to pay premiums as shown on the records of the insurer or fraternal benefit society;

(c) "Policy loan" includes advances of cash or other consideration as specified in KRS 304.15-110 and any premium loan made under a policy to pay one or more premiums that were not paid to the insurer or fraternal benefit society as they fell due.

(d) "Published monthly average" means Moody's Corporate Bond Yield Average - Monthly Average Corporates as published by Moody's Investors Service, Inc. or any successor thereto, or, in the event that Moody's Corporate Bond Yield Average - Monthly Average Corporates is no longer published, a substantially similar average prescribed by the commissioner.

(2) Every policy issued on or after the effective date of this Act shall provide for the election by the policyholder of either, but not both, of the following policy loan interest rate provisions:

(a) A maximum interest rate of not more than eight percent (8%) per annum; or

(b) A maximum interest rate to be established at regular intervals by the life insurer not to exceed the published monthly average for the calendar month ending two (2) months before the date on which the rate is determined or the rate used to compute cash surrender values under the policy during the applicable period plus one percent (1%) per annum, whichever is greater.

(3) Every policy issued in accordance with subsection (2)(b) of this section shall set forth the frequency at which the rate is to be determined for that policy. Such determination shall be made at least once in every twelve (12) month period but no more than once in any three (3) month period. At the intervals specified in the policy:

(a) The maximum rate of interest may be increased whenever the rate determined by the application of subsection (2)(b) of this section is increased by one-half of one percent (0.5%) or more per annum except that no rate of interest charged on a policy loan shall be greater than the limits imposed by KRS 360.010;

(b) The maximum rate of interest shall be reduced whenever the rate determined by the application of subsection (2)(b) of this section is reduced by one-half of one percent (0.5%) or more per annum.

(4) A life insurer issuing a policy under the provisions of subsection (2)(b) of this section shall:

(a) Stipulate the initial rate of interest and the frequency of its adjustment when making an advance of cash or other consideration to a policyholder;

(b) Notify the policyholder of the initial rate of interest as soon as it is reasonably practical to do so after making a premium loan except that notice need not be given the policyholder when a further premium loan is added so long as reasonable advance notice of any increase in the rate is provided;

(c) Include in the notices required in subsections (4)(a) and (4)(b) of this section the substance of the pertinent provisions of subsections (2) and (3) of this section.

(5) The loan value of the policy shall be determined in accordance with KRS 304.15-110, but no policy shall terminate in a policy year as the sole result of changes in the interest rate during that policy year. The life insurer shall maintain coverage during that policy year until such time at which it would otherwise have terminated coverage in the absence of changes in the interest rate during the policy year.

(6) For the purposes of this section, the rate of interest on policy loans permitted under this section shall include the interest rate applied to the reinstatement of policy loans for the period during and after any lapse of a policy.

(7) The owner of any policy issued before the effective date of this Act, or the person designated to pay premiums thereon as shown on the records of the life insurer, may elect to apply the provisions of this section to such a policy and the life insurer shall provide each policyholder who is a resident of the Commonwealth of Kentucky a reasonable opportunity to exercise this option in a form and manner to be

prescribed by the commissioner.

Section 2. KRS 304.29-200 is amended to read as follows:

(1) A society may grant paid-up nonforfeiture benefits, cash surrender values, certificate loans and such other options as its laws may permit. As to certificates issued on and after June 18, 1970, a society shall grant at least one (1) paid-up nonforfeiture benefit, except in the case of pure endowment, annuity or reversionary annuity contracts, reducing term insurance contracts or contracts of term insurance of uniform amount of fifteen (15) years or less expiring before age sixty-six (66).

(2) In the case of certificates other than those for which reserves are computed on the commissioners 1941 standard ordinary mortality table, the commissioners 1941 standard industrial mortality table or the commissioners 1958 standard ordinary mortality table, the value of every paid-up nonforfeiture benefit and the amount of any cash surrender value, loan or other option granted shall not be less than the excess, if any, of paragraph (a) over (b) as follows:

(a) The reserve under the certificate determined on the basis specified in the certificate; and

(b) The sum of any indebtedness to the society on the certificate, including interest due and accrued, and a surrender charge equal to *two and one-half percent (2.5%)* [~~2 1/2 per cent~~] of the face amount of the certificate, which, in the case of insurance on the lives of children, shall be the ultimate face amount of the certificate, if death benefits provided therein are graded.

(3) However, in the case of certificates issued on a substandard basis or in the case of certificates, the reserves for which are computed upon the American men ultimate table of mortality, the term of any extended insurance benefit granted including accompanying pure endowment, if any, may be computed upon the rates of mortality not greater than *one hundred thirty percent (130%)* [~~130 per cent~~] of those shown by the mortality table specified in the certificate for the computation of the reserve.

(4) In the case of certificates for which reserves are computed on the commissioners 1941 standard ordinary mortality table, the commissioners 1941 standard industrial mortality table or the commissioners 1958 standard ordinary mortality table, every paid-up nonforfeiture benefit and the amount of any cash surrender value, loan or other option granted shall not be less than the corresponding amount ascertained in accordance with the provisions of the laws of this state applicable to life insurers issuing policies containing like insurance benefits based upon such tables.

(5) Interest rates on loans granted pursuant to this section shall be as specified in Section 1 of this Act.

The Committee Substitute to **HB 1011** is as follows:

HB 1011, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF SUBTITLE 15 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

(1) As used in this section:

(a) "Policy" includes annuity contracts as defined in KRS 304.5-030 which provide for policy loans, and certificates issued by a fraternal benefit society as defined in KRS 304.29-010;

(b) "Policyholder" includes the owner of the policy or the person designated to pay premiums as shown on the records of the life insurer;

(c) "Policy loan" includes an advance of cash as specified in KRS 304.15-110 and any premium loan made under a policy to pay one or more premiums that were not paid to the life insurer as they fell due; and

(d) "Published monthly average" means Moody's Corporate Bond Yield Average - Monthly Average Corporates as published by Moody's Investors Service, Inc. or any successor thereto, or, in the event that Moody's Corporate Bond Yield Average - Monthly Average Corporates is no longer published, a substantially similar average prescribed by the commissioner.

(2) Notwithstanding any other provision of law:

(a) Policies issued on or after the effective date of this Act shall contain either, but not both, of the following policy loan interest rate provisions;

1. A provision permitting a maximum interest rate of not more than eight percent (8%) per annum; or

2. A provision permitting an adjustable maximum interest rate established at regular intervals by the life insurer as permitted by law.

(b) The rate of interest charged on a policy loan made under paragraph (a)2. of this subsection shall not exceed eighteen percent (18%) nor the higher of the following:

1. The published monthly average for the calendar month ending two (2) months before the date on *which the rate is determined; or*

2. The rate used to compute cash surrender values under the policy during the applicable period plus one percent (1%) per annum.

(c) If the maximum rate of interest is determined pursuant to paragraph (a)2. of this subsection, the policy shall contain a provision setting forth the frequency at which the rate is to be determined for that policy;

(d) The maximum rate for each policy shall be determined at regular intervals at least once every twelve (12) months, but not more frequently than once in any three (3) month period. At the intervals specified in the policy:

1. The rate being charged may be increased whenever such increase as determined under paragraph (b) of this subsection would increase the rate by one-half of one percent (0.5%) or more per annum;

2. The rate being charged shall be reduced whenever such reduction as determined under paragraph (b) of this subsection would decrease that rate by one-half of one percent (0.5%) or more per annum.

(e) The life insurer shall:

1. Notify the policyholder at the time an advance of cash is made of the initial rate of interest on the loan;

2. Notify the policyholder with respect to premium loans of the initial rate of interest on the loan as soon as it is reasonably practical to do so after making the initial loan. Notice need not be given to the policyholder when a further premium loan is added, except as provided in subparagraph 3. of this paragraph;

3. Send to policyholders with loans reasonable advance notice of any increase in the rate; and

4. Include in the notices required in subparagraphs 1., 2., and 3. of this paragraph the substance of the pertinent provisions of paragraphs (a) and (c) of this subsection.

(f) The loan value of the policy shall be determined in accordance with KRS 304.15-110, but no policy shall terminate in a policy year as the sole result of changes in the interest rate during that policy year. The life insurer shall maintain coverage during that policy year until such time at which it would otherwise have terminated if there had been no change during that policy year;

(g) The substance of the pertinent provisions of paragraphs (a) and (c) of this subsection shall be set forth in the policies to which they apply;

(h) For the purposes of this section, the rate of interest on policy loans permitted under this section shall include the interest rate charged for reinstatement of policy loans for the period during and after any lapse of a policy;

(i) No other provision of law shall apply to policy loan interest rates unless such provision specifically applies to such rates.

(3) The provisions of this Act shall not apply to any policy issued before the effective date of this Act unless the policyholder agrees in writing to the applicability of such provisions.

Section 2. KRS 304.29-200 is amended to read as follows:

(1) A society may grant paid-up nonforfeiture benefits, cash surrender values, certificate loans and such other options as its laws may permit. As to certificates issued on and after June 18, 1970, a society shall grant at least one (1) paid-up nonforfeiture benefit, except in the case of pure endowment, annuity or reversionary annuity contracts, reducing term insurance contracts or contracts of term insurance of uniform amount of fifteen (15) years or less expiring before age sixty-six (66).

(2) In the case of certificates other than those for which reserves are computed on the commissioners 1941 standard ordinary mortality table, the commissioners 1941 standard industrial mortality table or the commissioners 1958 standard ordinary mortality table, the value of every paid-up nonforfeiture benefit and the amount of any cash surrender value, loan or other option granted shall not be less than the excess, if any, of paragraph (a) over (b) as follows:

(a) The reserve under the certificate determined on the basis specified in the certificate; and

(b) The sum of any indebtedness to the society on the certificate, including interest due and accrued, and a surrender charge equal to *two and one-half percent (2.5%)* [~~2 1/2 per cent~~] of the face amount of the certificate, which, in the case of insurance on the lives of children, shall be the ultimate face amount of the certificate, if death benefits provided therein are graded.

(3) However, in the case of certificates issued on a substandard basis or in the case of certificates, the reserves for which are computed upon the American men ultimate table of mortality, the term of any extended insurance benefit granted including accompanying pure endowment, if any, may be computed upon the rates of mortality not greater than *one hundred thirty percent (130%)* [~~130 per cent~~] of those shown by the mortality table specified in the certificate for the computation of the reserve.

(4) In the case of certificates for which reserves are computed on the commissioners 1941 standard ordinary mortality table, the commissioners 1941 standard industrial mortality table or the commissioners 1958 standard ordinary mortality table, every paid-up nonforfeiture benefit and the amount of any cash surrender value, loan or other option granted shall not be less than the corresponding amount ascertained in accordance with the provisions of the laws of this state applicable to life insurers issuing policies containing like insurance benefits based upon such tables.

(5) Interest rates on loans granted pursuant to this section shall be as specified in Section 1 of this Act.

SB 84, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. SUBTITLE 44 OF KRS CHAPTER 304 IS ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

As used in this subtitle unless the context requires otherwise:

(1) "Department" means the department of insurance;

(2) "Mine subsidence" means the collapse of underground coal mines resulting in damage to a structure. It does not include loss caused by earthquake, landslide, volcanic eruption or collapse of storm and sewer drains;

(3) "Mine subsidence insurance fund" or "fund" means the fund established by this subtitle and administered as determined by the department;

(4) "Policy" means a contract of insurance providing mine subsidence insurance;

(5) "Premium" means the gross rate charged policyholders for insurance provided by this subtitle;

(6) "Structure" means any dwelling, building or fixture permanently affixed to realty, but does not include land, trees, plants or crops; and

(7) "Administrator" means the organization designated by the commissioner of the department to administer the fund.

SECTION 2. A NEW SECTION OF SUBTITLE 44 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

(1) There is hereby established a fund to be known as the "mine subsidence insurance fund." The fund shall be operated pursuant to this subtitle. The commissioner of the department shall determine how the fund shall be administered. In the discretion of the commissioner, the fund may be administered by the Reinsurance Association, established by KRS 304.35-010, or by the department;

(2) The administrator shall make available through the fund insurance coverage against losses arising out of or due to mine subsidence within this state as to any structure within this state;

(3) The monies in the fund shall be derived from premiums for subsidence insurance collected pursuant to this subtitle;

(4) Premiums for subsidence insurance shall be established by the administrator which shall periodically review the premium level and the experience data applicable to operation of the fund and make changes as required; and

(5) Premiums shall be established at a rate or within a schedule of rates sufficient to satisfy all foreseeable claims upon the fund during the period of coverage, giving due consideration to relevant loss or claim experience or trends, to cover normal costs of operation of the fund by the administrator and provide a reasonable reserve fund for unexpected contingencies. Deviation from the premium set by the administrator shall not be allowed.

SECTION 3. A NEW SECTION OF SUBTITLE 44 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

After July 15, 1984, every insurance policy issued or renewed insuring on a direct basis a structure located in a county or portion of a county in this state except for counties exempted pursuant to Section 6 of this Act shall include, at a separately stated premium, insurance for loss occurring after July 15, 1984 caused by mine subsidence unless waived in writing by the insured. The premium charged for coverage shall be the same as the premium level set by the administrator. The loss coverage shall be the loss in excess of two percent (2%) of the policy's total insured value, but at no time shall the deductible be less than two hundred fifty dollars ($250) nor more than five hundred dollars ($500). The total insured value reinsured by the administrator shall not exceed fifty thousand dollars ($50,000) per structure. The insurer shall not be required to write a policy for mine subsidence coverage in excess of the amount reimbursable from the fund as authorized by this subtitle.

SECTION 4. A NEW SECTION OF SUBTITLE 44 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

An insurer may refuse to provide subsidence coverage on a structure evidencing unrepaired subsidence damage until necessary repairs are made or where the insurer has declined, nonrenewed or canceled all coverage under a policy for underwriting reasons unrelated to mine subsidence.

SECTION 5. A NEW SECTION OF SUBTITLE 44 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

All insurers writing property insurance covering structures in this state shall enter into a reinsurance *agreement with the administrator in which each insurer agrees to cede to the administrator one hundred percent (100%), up to fifty thousand dollars ($50,000), of any subsidence insurance coverage issued and, in consideration of the ceding commission retained by the insurer, agree to undertake adjustment of losses, and payment of taxes, and to absorb all other expenses of the insurer necessary for sale of policies and administration of the mine subsidence insurance program. The administrator shall agree to reimburse the insurer from the fund for all amounts paid policyholders for claims resulting from subsidence and shall pay from the fund all costs of administration incurred by the administrator, but an insurer is not required to pay any claim for any loss insured under this subtitle except to the extent that the amount available in the mine subsidence insurance fund is sufficient to reimburse the insurer for such claim. Claims made under the provisions of the subtitle shall not be deemed to constitute a debt, liability, or obligation of the Commonwealth or any political subdivision thereof or a pledge of the faith and credit of the Commonwealth or any such political subdivision except to the extent the fund has accumulated reserves from premiums, state or federal grants, investment income, or state appropriations.*

SECTION 6. A NEW SECTION OF SUBTITLE 44 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

The administrator shall exempt policies to be written or renewed in counties or portions of counties which do not have underground coal bearing stratum or underground coal mines or in counties which have not voted, through their fiscal courts, to approve of the availability of mine subsidence insurance within that county.

SECTION 7. A NEW SECTION OF SUBTITLE 44 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

The proportion of total subsidence insurance premiums collected by each insurer which shall be retained by the insurer as a ceding commission shall be fixed by the administrator. The remainder of the premiums shall be remitted by the insurer to the administrator. The ceding commission shall be based on reasonable administrative costs to the insurer, including agents' commissions.

SECTION 8. A NEW SECTION OF SUBTITLE 44 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

The administrator shall pay the insurer all amounts due within ninety (90) days after receiving a loss report. The administrator shall require the loss report to include an itemized statement of the damage, repairs made and the cost of each repair and any other documentation the administrator believes will substantiate the reported loss.

SECTION 9. A NEW SECTION OF SUBTITLE 44 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

Every insurer shall report at times designated by the administrator the amounts of premiums collected and shall report semiannually on dates established by the administrator an itemized list of all losses paid, including the policy number and location of structures insured pursuant to this subtitle and reinsured by the administrator.

SECTION 10. A NEW SECTION OF SUBTITLE 44 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

(1) Except in the case of fraud by an insurer, the administrator does not have any right of recourse against the insurer and the insurer may settle losses in the customary manner; and

(2) The administrator may require an insurer to attempt recovery from a policyholder for the amounts paid to such policyholder if, in the judgment of the administrator the policyholder was not entitled to the amounts paid because of fraud or violation of the policy conditions. The costs of such recovery attempt shall be borne equally by the insurer and the administrator.

SECTION 11. A NEW SECTION OF SUBTITLE 44 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

(1) Each insurer issuing mine subsidence insurance policies in this Commonwealth and the administrator shall have the right of subrogation, and in enforcing such right, the insurer or the administrator, as the case may be, shall be deemed the real party in interest and shall pursue any action in its own name.

(2) Every insurer shall include in its semiannual reports an itemized list of all losses in subrogation and shall remit to the administrator all monies, less expenses, recovered as the result of subrogation actions.

SECTION 12. A NEW SECTION OF SUBTITLE 44 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

The administrator has the power, duty and responsibility to establish and maintain the fund and supervise in all respects, consistent with the provisions of this subtitle, the operation and management of the mine subsidence insurance program established in this subtitle and to do all things necessary or convenient to accomplish the purpose of this subtitle.

Section 13. KRS Chapter 304.35-030 is amended to read as follows:

(1) The "FAIR" plan and articles of association shall make provision for a reinsurance association having authority on behalf of its members to cause to be issued property insurance policies, to reinsure in

whole or in part any such policies, and to cede any such reinsurance. The plan and articles of association shall provide, among other things, for the perils to be covered, geographical area of coverage, compensation and commissions, assessments of members, participation in the writings, expenses, income and losses in the proportion each member's property premiums written bear to the aggregate property premiums written by all members, the administration of the plan and association, and any other matter necessary or convenient for the purpose of assuring fair access to insurance requirements.

(2) The Reinsurance Association shall administer the mine subsidence insurance fund if directed to do so by the commissioner.

SECTION 14. A NEW SECTION OF SUBTITLE 44 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

These provisions establishing the mine subsidence insurance fund shall not be implemented until federal money is received by the department for administration costs and a reserve. However, the department may take any preliminary action to prepare for implementation when federal money is received.

SB 255, AN ACT relating to credit unions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

As used in this chapter, unless the context otherwise requires:

SECTION 1. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) "Credit union" means a cooperative, nonprofit association, incorporated under this Act, for the purposes of encouraging thrift among its members, creating a source of credit at a fair and reasonable rate of interest, and providing an opportunity for its members to use and control their own money on a democratic basis in order to improve their economic and social condition.

(2) "Commissioner" means the commissioner of banking and securities.

SECTION 2. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) Any seven (7) or more residents of this state, of legal age, who have a common bond referred to in Section 11 of this Act may organize a credit union and become charter members thereof by complying with this section.

(2) The subscribers shall execute in duplicate articles of incorporation and agree to the terms thereof, which articles shall state:

(a) The name, which shall include the words "credit union" and which shall not be the same as that of any other credit union in this state, and the location where the proposed credit union is to have its principal place of business;

(b) That the existence of the credit union shall be perpetual;

(c) The par value of the shares of the credit union; and

(d) The names and addresses of the subscribers to the articles of incorporation, and the number of shares subscribed to by each, which shall be determined by the board.

(3) The subscribers shall prepare and adopt bylaws for the general government of the credit union, consistent with this Act, and execute the same in duplicate.

(4) The subscribers shall select at least five (5) qualified persons who agree to serve on the board of directors, and at least three (3) other qualified persons who agree to serve on the supervisory committee. A signed agreement to serve in these capacities until the first annual meeting or until the election of their successors, whichever is later, shall be executed by those who so agree.

(5) The subscribers shall forward any required fee, the articles of incorporation, the bylaws and the agreements to serve to the commissioner, who shall act upon the application for a charter within thirty (30) days. The commissioner shall issue a certificate of approval, if the articles and bylaws are in conformity with this Act and he is satisfied that:

(a) The characteristics of the sponsoring group are favorable to the economic viability of such credit union;

(b) The standing and character of the proposed organizers are such as to give assurance that its affairs will be properly administered; and

(c) The share and deposit insurance requirements of Section 42 of this Act will be met.

(6) The commissioner shall return a copy of the bylaws and the articles to the applicants or their representatives, which shall be preserved in the permanent files of the credit union.

(7) The subscribers for a credit union charter may not transact any business until formal approval of the charter has been received.

SECTION 3. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS

FOLLOWS:

In order to simplify the organization of credit unions, the commissioner shall cause to be prepared a form of articles of incorporation and a form of bylaws, consistent with this Act, which may be used by credit union incorporators for their guidance. Such articles of incorporation and bylaws shall be available without charge to persons desiring to organize a credit union.

SECTION 4. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) The articles of incorporation or the bylaws may be amended as provided in the bylaws. Amendments to the articles of incorporation or bylaws shall be submitted to the commissioner who shall approve or disapprove the amendments within sixty (60) days.

(2) Amendments shall become effective upon approval in writing by the commissioner.

SECTION 5. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

No person, corporation, partnership or association, other than a legally chartered credit union, an association of credit unions, or an organization, corporation, or association whose membership or ownership is primarily confined or restricted to credit unions or credit union organizations, may use a name or title containing the phrase "credit union" or any derivation thereof, represent itself as a credit union, or conduct business as a credit union.

SECTION 6. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) A credit union may change its principal place of business within this state upon written authorization by the commissioner. If the commissioner has not notified a credit union of his action on an application to change the place of business within fifteen (15) calendar days of the date the application was received by the commissioner, the credit union may proceed with the change in its place of business.

(2) A credit union may maintain service facilities, including automated terminals, at locations other than its principal office upon written authorization by the commissioner. The maintenance of such facilities must be reasonably necessary to furnish service to its members.

(3) A credit union may join with one (1) or more credit unions in the operation of a service facility to meet member needs, including an automated terminal, upon written authorization by the commissioner.

SECTION 7. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) A credit union organized in another state may conduct business as a credit union in this state with the approval of the commissioner. The commissioner shall find that the out-of-state credit union:

(a) Is a credit union organized under laws similar to this Act;

(b) Is financially solvent;

(c) Has account insurance comparable to that required for credit unions incorporated under this Act;

(d) Is effectively examined and supervised by the supervisory authority of the state in which it is organized; and

(e) Needs to conduct business in this state to adequately serve its members in this state.

(2) The out-of-state credit union shall agree to:

(a) Grant loans at rates not in excess of the rates permitted for credit unions incorporated under this Act;

(b) Comply with the same consumer protection provisions that credit unions incorporated under this Act must obey;

(c) Designate and maintain an agent for the service of process in this state; and

(d) Submit copies of reports to the commissioner when requested.

(3) The commissioner may examine the out-of-state credit union or enter into cooperative or reciprocal agreements with the out-of-state credit union's regulatory authority for periodic examinations.

SECTION 8. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

A credit union organized under KRS Chapter 290 may:

(1) Make contracts;

(2) Sue and be sued;

(3) Adopt and use a common seal and alter same;

(4) Acquire, lease, hold, assign, pledge, hypothecate, sell and otherwise dispose of property, either in whole or in part, necessary or incidental to its operations;

(5) Offer its members and other credit unions various classes of shares, share certificates, deposits or deposit certificates, upon written authorization of the commissioner;

(6) Lend its funds to its members as hereinafter provided;

(7) Borrow from any source provided that a credit union must notify the commissioner in writing of its intention to borrow in excess of an aggregate of forty percent (40%) of its capital;

(8)Discount or sell any of its assets, and purchase the assets of another credit union, subject to the approval of the commissioner;

(9) Make deposits in legally chartered banks, savings banks, savings and loan associations, trust companies, and other credit unions, including corporate credit unions, and invest funds as otherwise provided in Section 60 of this Act;

(10) Hold membership in other credit unions organized under this chapter or other acts, and in associations and organizations controlled by or fostering the interests of credit unions, including a central liquidity facility organized under state or federal law;

(11) Engage in activities and programs as requested by the federal government or by this state or any agency or political subdivision thereof, when approved by the commissioner and not inconsistent with this Act; and

(12) Act as fiscal agent for and receive payments on shares and deposits from the federal government, this state, or any agency or political subdivision thereof.

SECTION 9. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

A credit union may exercise such incidental powers as are granted corporations organized under the laws of this state, including such as are convenient or useful to enable it to promote and carry on most effectively its purposes.

SECTION 10. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

Notwithstanding any other provision of law, the commissioner may make reasonable rules authorizing credit unions to exercise any of the powers conferred upon federal credit unions, if he deems it reasonably necessary for the wellbeing of such credit unions.

SECTION 11. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) The membership of a credit union shall be limited to and consist of the subscribers to the articles of incorporation and such other persons within the common bond set forth in the bylaws as have been duly admitted members, have paid any required entrance fee or membership fee, or both, have subscribed to one (1) or more shares, and have paid the initial installment thereon, and have complied with such other requirements as the articles of incorporation or bylaws specify.

(2) Credit union membership shall be limited to persons having a common bond of similar occupation, association or interest.

SECTION 12. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) The participation by a credit union in any government program providing unemployment social security, old age pension or other benefits shall not be deemed a waiver of the taxation exemption hereby granted.

(2) A credit union shall be deemed an institution for savings, and shall not be subject to taxation except as to real estate owned. The shares of credit unions shall not be subject to any stock transfer tax, either when issued or when transferred from one (1) member to another.

SECTION 13. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

Members who leave the field of membership may be permitted to retain their membership in the credit union, under reasonable standards established by the board of directors.

SECTION 14. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

The members of the credit union shall not be personally or individually liable for the payment of its debts.

SECTION 15. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) The annual meeting and any special meetings of the members of the credit union shall be held at the time, place, and in the manner indicated by the bylaws.

(2) At all such meetings a member shall have but one (1) vote, irrespective of his shareholding. No member may vote by proxy, but a member may vote by absentee ballot if the bylaws of the credit union so provide.

(3) A society, association, copartnership or corporation having membership in the credit union may be represented and have its vote cast by one (1) of its members or shareholders, provided such person has been so authorized by the organization's governing body.

SECTION 16. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) The credit union shall be directed by a board consisting of an odd number of directors, at least five (5) in number, to be elected at the annual members' meeting by and from the members. All members of

the board shall hold office for such terms as the bylaws provide.

(2) The board of directors shall appoint a supervisory committee of not less than three (3) persons at the organization meeting held within thirty (30) days following each annual meeting of the members for such terms as the bylaws provide.

(3) The board of directors shall appoint a credit committee consisting of an odd number, not less than three (3), for such terms as the bylaws provide, or in lieu of a credit committee, a credit manager.

SECTION 17. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

Within fifteen (15) days after election or appointment, a record of the names and addresses of the members of the board, committees and all officers of the credit union shall be filed with the commissioner on forms provided by the department.

SECTION 18. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

The board of directors shall fill any vacancies occurring in the board until successors elected at the next annual meeting have qualified. The board shall also fill vacancies in the credit and supervisory committees.

SECTION 19. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

A credit union has a special obligation of confidentiality to its members; therefore, the provisions of KRS 271A.260 shall be limited to the extent that a credit union shall be obligated to provide a shareholder only names and addresses of its member shareholders.

SECTION 20. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

No director, committee member, officer, agent or employe of the credit union shall in any manner, directly or indirectly, participate in the deliberation upon or the determination of any question affecting his pecuniary interest or the pecuniary interest of any corporation, partnership, or association (other than the credit union) in which he is directly or indirectly interested.

SECTION 21. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) At their organization meeting held within thirty (30) days following each annual meeting of the members, the directors shall elect from their own number a chairman of the board, one (1) or more vice chairmen, a treasurer, and a secretary. The treasurer and the secretary may be the same individual.

(2) The terms of the officers shall be one (1) year, or until their successors are chosen and have duly qualified.

(3) The duties of the officers shall be prescribed in the bylaws.

(4) The board of directors shall appoint a president to act as general manager of the credit union and be in active charge of its operations.

SECTION 22. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

The board of directors shall have the general direction of the business affairs, funds, and records of the credit union.

SECTION 23. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

The board of directors may appoint an executive committee, consisting of not less than three (3) directors, which may be authorized to act for the board in all respects, subject to any conditions or limitations prescribed by the board.

SECTION 24. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

Each month either the board of directors or the executive committee shall meet. These bodies shall meet on other occasions as often as is necessary.

SECTION 25. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

It shall be the duty of the board of directors to:

(1) Act upon applications for membership or to appoint one (1) or more membership officers to approve applications for membership under such conditions as the board prescribes. A record of the actions taken by a membership officer on applications shall be available to the board of directors for inspection. A person denied membership by a membership officer may appeal the denial to the board;

(2) Purchase a blanket fidelity bond, in accordance with any rules and regulations of the commissioner, to protect the credit union against losses caused by occurrences covered therein such as fraud, dishonesty, forgery, embezzlement, misappropriation, misapplication, or unfaithful performance of duty by a director, officer, employe, member of a committee, attorney-at-law or other agent;

(3) Determine from time to time the interest rate or rates, consistent with this Act, which shall be charged on loans and to authorize any interest refunds on such classes of loans and under such conditions as

the board prescribes;

(4) Establish the policies of the credit union with respect to the granting of loans and the extending of lines of credit, including the maximum amount which may be loaned to any one (1) member;

(5) Establish different types or classes of shares;

(6) Declare dividends on shares and share certificates in the manner and form as provided in the bylaws; and determine the interest rate or rates which will be paid on deposits and deposit certificates;

(7) If deemed desirable, limit the number of shares and the amount of share certificates, deposits and deposit certificates which may be owned by a member. Any such limitation shall apply alike to all members;

(8) Have charge of the investment of funds, except that the board may designate an investment committee or any qualified individual to have charge of making investments under conditions established by the board;

(9) Authorize the employment of such persons necessary to carry on the business of the credit union, including the credit manager, loan officers and auditing assistants requested by the supervisory committee, and fix the compensation, if any, of the president;

(10) Approve an annual operating budget for the credit union, which shall include provision for the compensation of employes;

(11) Authorize the conveyance of property;

(12) Authorize contributions to civic, charitable or service organizations, subject to regulations of the commissioner;

(13) Borrow or lend money to carry on the functions of the credit union;

(14) Designate a depository or depositories for the funds of the credit union;

(15) Suspend any or all members of the credit or supervisory committee for failure to perform their duties;

(16) Appoint any special committees deemed necessary; and

(17) Perform such other duties as the members from time to time direct, and perform or authorize any action not inconsistent with this Act and not specifically reserved by the bylaws for the members.

SECTION 26. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) A credit committee shall have the general supervision of all loans to members, unless it is dispensed with as provided in Section 28 of this Act.

(2) The credit committee shall meet as often as the business of the credit union requires to consider applications for loans and review the work of the loan officers. No loan shall be made unless it is approved by a majority of the committee who are present at the meeting at which the application is considered.

SECTION 27. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

The credit committee may be dispensed with in the bylaws, and a credit manager, under the general supervision of the president, may be empowered to approve or disapprove loans subject to the policies and conditions prescribed by the board of directors. The president may serve as the credit manager.

SECTION 28. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) The credit committee may appoint one (1) or more loan officers and delegate the power to approve or disapprove loans, subject to such limitations or conditions as the credit committee prescribes.

(2) Where a credit manager is provided in lieu of a credit committee, the credit manager may appoint one (1) or more loan officers with the power to approve or disapprove loans, subject to such limitations or conditions as the credit manager prescribes.

(3) A member whose application was disapproved by a loan officer may appeal such action to the credit committee or credit manager, as appropriate under the bylaws.

SECTION 29. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) Unless the credit union has been audited by a licensed public accountant or other qualified person or firm, the supervisory committee shall make or cause to be made a comprehensive annual audit of the books and affairs of the credit union. It shall submit a report of each annual audit to the board of directors and the commissioner and a summary of that report to the members at the next annual meeting of the credit union.

(2) The supervisory committee shall make or cause to be made such supplementary audits, examinations or verifications of members' accounts as it deems necessary or as are required by the commissioner or by the board of directors, and submit reports of these supplementary audits to the board of directors.

SECTION 30. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) The supervisory committee by a unanimous vote may suspend any member of the credit committee and shall report such action to the board of directors for appropriate action.

(2) The supervisory committee by a unanimous vote may suspend any officer or member of the board

of directors until the next members' meeting, which shall be held not less than seven (7) nor more than twenty-one (21) days after such suspension. At such meeting the suspension shall be acted upon by the members.

(3) Any member of the supervisory committee may be removed by the board of directors for failure to perform his duties in accordance with this Act, the articles of incorporation, or the bylaws.

SECTION 31. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

The supervisory committee by a majority vote may call a special meeting of the members to consider any violation of this Act, the credit union's charter or bylaws, or any practice of the credit union deemed by the supervisory committee to be unsafe or unauthorized.

SECTION 32. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) The capital of a credit union consists of the aggregate amount of the share and deposit accounts of its members plus all reserves and individual earnings.

(2) Shares may be subscribed to, paid for and transferred in such manner as the bylaws prescribe.

SECTION 33. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) At such intervals and for such periods as the board of directors may authorize, and after provision for the required reserves, the board of directors may declare dividends to be paid on shares and share certificates from the undivided earnings.

(2) Dividends may be paid at various rates, or not paid at all, with due regard to the conditions that pertain to each class of share.

SECTION 34. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

A credit union may offer deposits and deposit certificates to its members and other credit unions, subject to such terms, rates and conditions as the board of directors establishes and any regulations the commissioner may prescribe.

SECTION 35. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

Christmas clubs and vacation clubs may be operated under conditions established by the board of directors, and other special purpose share and deposit accounts may be operated with authorization from the commissioner.

SECTION 36. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) Shares, share certificates, deposits, and deposit certificates may be withdrawn for payment to the account holder or to third parties, in such manner and in accordance with such procedures as may be established by the board of directors, subject to approval by the commissioner. The board may restrict one (1) class of share so it may not be redeemed, withdrawn or transferred except upon termination of membership in the credit union.

(2) Shares, share certificates, deposits, and deposit certificates shall be subject to any withdrawal notice requirement which may be imposed pursuant to the bylaws.

SECTION 37. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

Shares, share certificates, and deposit certificates may be issued to and deposits received from a person under eighteen (18) years of age who may withdraw the shares and deposits, including the dividends and interest thereon. Deposits and share payments made by a person under eighteen (18) years of age and withdrawals thereof by such a person shall be valid in all respects. For such purposes a person under eighteen (18) years of age is deemed of full age.

SECTION 38. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) A member may designate any person or persons to own shares, share certificates, deposits and deposit certificates with him in joint tenancy with the right of supervisorship, as a tenant in common or under any other form of joint ownership permitted by law; but no co-owner, unless a member in his own right, shall be permitted to vote, obtain loans, or hold office or be required to pay an entrance or membership fee.

(2) Payment of part or all of such accounts to any of the co-owners shall, to the extent of such payment, discharge the liability to all unless the account agreement contains a different provision.

SECTION 39. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) Shares, share certificates, deposits, and deposit certificates may be held in the name of a member in trust for a beneficiary, or in the name of a non-member in trust for a beneficiary who is a member.

(2) Beneficiaries may be under eighteen (18) years of age; but no beneficiary, unless a member in his own right, shall be permitted to vote, obtain loans, hold office or be required to pay an entrance or

membership fee.

(3) Payment of part or all of such a trust account to the party in whose name the account is held shall, to the extent of such payment, discharge the liability of the credit union to that party and to the beneficiary, and the credit union shall be under no obligation to see to the application of such payment.

SECTION 40. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

The credit union shall have a lien on the shares, share certificates, deposits, deposit certificates and accumulated dividends or interest of a member in his individual, joint or trust account, for any sum past due the credit union from said member or for any loan endorsed by him. The credit union shall also have a right of immediate setoff with respect to every such account.

SECTION 41. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) Not later than December 31, 1974, a credit union shall apply for insurance on shares and deposits as provided by the national credit union administration under title II of the federal credit union act (12 USCs 1781 et seq), or alternatively, a form of comparable insurance approved by the commissioner. This requirement does not apply to a credit union with debt and equity capital consisting primarily of funds from other credit unions.

(2) A credit union which has been denied a commitment for such insurance shall within thirty (30) days commence steps to either liquidate, or merge with an insured credit union, or apply in writing to the commissioner for additional time to obtain an insurance commitment. The commissioner may grant one (1) or more extensions of time to obtain the insurance commitment upon satisfactory evidence that the credit union has made or is making substantial effort to achieve the conditions precedent to issuance of the commitment.

(3) No credit union shall be granted a charter by the commissioner unless such credit union has obtained a commitment for insurance of its member share and deposit accounts.

(4) The commissioner may make available reports of condition and examination findings to the national credit union administration or to any qualified insuring organization and may accept any report of examination made on behalf of such agency or organizations. The commissioner may appoint an official of the national credit union administration or of any qualified insuring organization as liquidating agent of an insured credit union.

SECTION 42. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) Whenever the losses of any credit union, resulting from a depreciation in value of its loans or investments or otherwise, exceed its undivided earnings and reserve fund so that the estimated value of its assets is less than the total amount due the shareholders, the credit union may by a majority vote of those voting on the proposition order a reduction in the shares of each of its shareholders to divide the loss proportionately among the members.

(2) If the credit union thereafter realizes from such assets a greater amount than was fixed by the order of reduction, such excess shall be divided proportionately among the shareholders whose assets were reduced, but only to the extent of such reduction.

SECTION 43. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

A credit union may loan to members for such purposes and upon such conditions as the bylaws may provide.

SECTION 44. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

The interest rates on loans shall be determined by the board of directors, not to exceed two percent (2%) per month on unpaid balances.

SECTION 45. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

A credit union may assess charges to members, in accordance with the bylaws, for failure to meet their obligations to the credit union in a timely manner.

SECTION 46. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

Every application for a loan shall be made in writing upon a form, which the credit committee, credit manager, or loan officer prescribes. The application shall state the purpose for which the loan is desired, and the security, if any, offered. Each loan shall be evidenced by a written document.

SECTION 47. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

No loan shall be made to any member in an aggregate amount in excess of ten percent (10%) of the credit union's total assets.

SECTION 48. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS

FOLLOWS:

Security within the meaning of this Act may include, without limitation because of enumeration, the endorsement of a note by a surety, comaker or guarantor; assignment of an interest in real or personal property; or assignment of shares or wages. The adequacy of any security shall be determined by the credit committee, credit manager, or loan officer, as appropriate under the bylaws.

SECTION 49. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

A member may receive a loan in installments, or in one (1) sum, and may pay the whole or any part of his loan on any day on which the office of the credit union is open for business.

SECTION 50. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

Upon written application by a member, the credit committee or credit manager may approve a self-replenishing line of credit, and loan advances may be granted to the member within the limit of such line of credit. Where a line of credit has been approved, no additional loan application is required as long as the aggregate indebtedness does not exceed the approved limit.

SECTION 51. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

Loans secured by first mortgages on real estate shall not exceed fifty percent (50%) of the credit union's unimpaired capital, unless the commissioner shall otherwise determine by regulation or by order in any special case.

SECTION 52. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) A credit union may participate in any guaranteed loan program of the federal or state government under the terms and conditions specified in the law under which such a program is provided.

(2) A credit union may purchase the conditional sales contracts, notes and similar instruments of its members.

SECTION 53. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) A credit union may make loans to its officers, directors, employes, loan officers, credit manager, and to members of its supervisory and credit committees, provided that:

(a) The loan complies with all lawful requirements under this Act with respect to loans to other borrowers and is not on terms more favorable than those extended to other borrowers; and

(b) Any loan or aggregate of loans to any such official which exceeds ten thousand dollars ($10,000) plus pledged shares must be approved by the board of directors.

(2) A credit union may permit officers, directors, employes, loan officers, credit manager, and members of its supervisory and credit committees to act as co-makers, guarantors or endorsers of loans to other members, except that when any such loan standing alone or when added to any outstanding loan or loans to the co-maker, guarantor or endorser exceeds ten thousand dollars ($10,000), approval of the board of directors is required.

SECTION 54. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) A credit union may purchase or make available insurance for its members in amounts related to their respective ages, shares, deposits or loan balances or to any combination of them.

(2) A credit union may enter into cooperative marketing arrangements to facilitate its members' voluntary purchase of insurance, limited to credit life, accident and health insurance.

SECTION 55. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

A credit union may purchase and maintain insurance on behalf of any person who is or was a director, officer, employe, or agent of the credit union, or who is or was serving at the request of the credit union as a director, officer, employe, or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against the person and incurred by the person in his official capacity or arising out of the person's status as such, whether or not the credit union would have the power to indemnify the person against the liability.

SECTION 56. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

A credit union may enter into cooperative marketing arrangements to facilitate its members' voluntary purchase of such goods and services as are in the interest of improving economic and social conditions of the members.

SECTION 57. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

A credit union may collect, receive and disburse monies in connection with the providing of negotiable checks, money orders, travelers' checks, and other money-type instruments, and for such other purposes as *may provide benefit or convenience to its members, and charge a reasonable fee for such services.*

SECTION 58. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) A credit union may act as trustee or custodian of:

(a) Individual retirement accounts authorized by federal or state law;

(b) Pension funds of self-employed individuals or of a company or organization sponsoring the credit union; or

(c) Other similar retirement or pension plans, with authorization from the commissioner.

(2) A credit union may act as trustee under pension and profit-sharing plans with authorization from the commissioner.

SECTION 59. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

Funds not used in loans to members may be invested:

(1) In securities, obligations, or other instruments of or issued by or fully guaranteed as to principal and interest by the United States of America or any agency thereof or in any trust or trusts established for investing directly or collectively in the same;

(2) In obligations of any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and the several territories organized by Congress, or any political subdivision thereof;

(3) In certificates of deposit or passbook-type accounts issued by a state or national bank, mutual savings bank, or savings and loan association;

(4) (a). In loans, not to exceed twenty-five percent (25%) of capital at the handling credit union, to; or

(b) In shares or deposits, not to exceed ten percent (10%) of the capital of the investing credit union, of other credit unions, central credit unions, corporate credit unions, or a central liquidity facility established under state or federal law;

(5) In shares, stocks, loans or other obligations of any organization, corporation, or association, provided the membership or ownership, as the case may be, of such organization, corporation, or association is primarily confined or restricted to credit unions, or organizations of credit unions, and provided further the purpose for which it is organized is to strengthen or advance the development of credit unions or credit union organizations;

(6) In shares of a cooperative society organized under the laws of this state or of the laws of the United States in the total amount not exceeding ten percent (10%) of the shares, deposits, and surplus of the credit union;

(7) In stocks and bonds of corporations organized in any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico and the several territories organized by Congress to a maximum of five percent (5%) of members' shares, provided that such investments shall be limited to stocks or bonds which appear on a list approved by the commissioner and published quarterly or annually, such list to include not less than thirty (30) corporations.

SECTION 60. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

A credit union shall, at the close of each accounting period, establish and maintain reserves at least equal to the reserve requirements of the National Credit Union Administration necessary to maintain deposit insurance.

SECTION 61. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

The regular reserve shall belong to the credit union and shall be used to meet losses resulting from loans and risk assets and to meet such other losses as are approved by the commissioner and shall not be distributed except on liquidation of the credit union, or in accordance with a plan approved by the commissioner.

SECTION 62. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

The commissioner shall define by regulation what is deemed "risk assets" for the purpose of establishing the regular reserve.

SECTION 63. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

In addition to such regular reserve, special reserves to protect the interest of members shall be established when required by regulation, or when found by the board of directors of the credit union or by the commissioner, in any special case, to be necessary for that purpose.

SECTION 64. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

Any credit union organized under this Act or any other provision of KRS Chapter 290 and all shares and deposits therein shall be exempt from all taxation imposed by this state or any taxing authority within this *state. No law which taxes corporations in any form, or the shares or deposits thereof, or the accumulation thereon, shall apply to any such credit union; except that any real property and any tangible personal property owned by any such credit union shall be subject to taxation to the same extent as other similar property is taxed, provided that this exception shall not permit the imposition of any sales or use taxes on the credit union.*

SECTION 65. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

(1) Violation of Section 5 of this Act constitutes a misdemeanor punishable by a fine of not more than five hundred dollars ($500), by imprisonment for not more than one (1) year, or both.

(2) The commissioner may petition a court of competent jurisdiction to enjoin a violation of Section 5 of this Act.

SECTION 66. KRS 386.030 is amended to read as follows:

(1) Banks, trust companies, insurance companies, savings and loan associations, [~~credit unions,~~] executors, administrators, trustees or others acting in a fiduciary capacity, trust funds, and other financial institutions, originating mortgagee institutions, and other institutions approved as mortgagees and meeting otherwise the requirements of the Secretary of Housing and Urban Development, the Federal Housing Administration or Veterans' Administration to act as mortgagees under that agency's approval program, subject to the laws of this state, may:

(a) Make such loans and advances of credit and purchases of obligations representing loans and advances of credit as are eligible for credit insurance or guaranty by the Secretary of Housing and Urban Development, the Federal Housing Administrator or Administrator of Veterans' Affairs, and may obtain such insurance, guaranty or other approval;

(b) Make such loans secured by real property or leasehold, as the Secretary of Housing and Urban Development, the Federal Housing Administrator or Administrator of Veterans' Affairs insures or issues a guaranty or makes a commitment to insure, or guaranty, and may obtain such insurance, or guaranty;

(c) Invest their funds, eligible for investment, in notes or bonds secured by mortgage or trust deed insured by the Secretary of Housing and Urban Development, the Federal Housing Administrator or Administrator of Veterans' Affairs, and in debentures issued by the Secretary of Housing and Urban Development, the Federal Housing Administrator or Administrator of Veterans' Affairs, and also in securities issued by National Mortgage Associations.

(d) Invest their funds in real estate mortgage notes, bonds and other interest-bearing or dividend-paying securities (including securities of any open-end or closed-end management type investment company or investment trust registered under the Federal Investment Company Act of 1940) which would be regarded by prudent businessmen as a safe investment.

(2) This state and any of its political subdivisions, or any agency or instrumentality thereof may invest its funds and the monies in its custody or possession, eligible for investment, in notes or bonds described in paragraph (c) of subsection (1) *of this section.*

(3) No law of this state requiring security upon which loans or investments may be made, or prescribing the nature, amount or form of the security, or prescribing or limiting interest rates upon loans or investments, or limiting investments of capital or deposits, or prescribing or limiting the period for which loans or investments may be made, shall apply to loans or investments made pursuant to this section.

SECTION 67. A NEW SECTION OF KRS CHAPTER 290 IS CREATED TO READ AS FOLLOWS:

No expenses of a credit union operating in Kentucky shall be paid out of appropriations from the general fund.

Section 68. The following KRS sections are repealed:

290.010 Definitions.
290.020 Incorporation -- Articles -- Change in location.
290.030 Contents of bylaws.
290.040 Articles and bylaws to be approved by commissioner -- Filing.
290.050 Amendments to bylaws.
290.060 Restriction of term "credit union."
290.070 Powers -- Supervision by commissioner -- Insurance of member share and deposit account.
290.080 Membership.
290.090 Reports.
290.100 Supervision by commissioner -- Financial reports -- Examination -- Fees.
290.105 Commonwealth or its employes not liable for failure to disclose financial condition of credit union.
290.110 Fiscal year -- Meetings -- Voting regulations.
290.120 Election of directors and members of committees -- Oaths.
290.130 Election of officers -- Duties of director -- Bonds of persons having custody of funds -- Compensation.

290.140	Credit committee -- Duties.
290.150	Supervisory committee -- Duties.
290.160	Capital -- Membership fee -- Transfer fee.
290.170	Shares of minors and in trust.
290.180	Charges for failure to meet payments.
290.190	Savings.
290.200	Rates of interest -- Fees for temporary loans.
290.210	Power to borrow.
290.220	Investment of funds.
290.230	Loans.
290.240	Reserve fund.
290.250	Dividends -- Interest refund.
290.260	Rediscount of instruments.
290.270	Expulsion and withdrawal of members.
290.280	Failure to make reports or pay charges -- When commissioner may take charge.
290.290	Voluntary dissolution.
290.295	Merger of credit unions.
290.300	Taxation.
290.310	Advertising statement required when institution not federally insured.
290.990	Penalties.

The Committee Amendment No. 1 to **SB 255** is as follows:

Amend printed copy of **SB 255**, page 36, by deleting lines 5, 6, 7, 8, 9 in their entirety.

Page 36, line 10 by deleting "68" and inserting in lieu thereof "67"

SB 308, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 304, SUBTITLE 14 IS CREATED TO READ AS FOLLOWS:

(1) No insurer, nonprofit hospital medical-surgical, dental and health service corporation, or health maintenance organization shall issue any policy, agreement, certificate, or contract after the effective date of this Act which contains a provision limiting recovery or payment under the policy if the insureds, subscriber, enrollee, certificate holder or eligible dependents are covered under an individual health policy, agreement, certificate, or contract issued by an insurer, nonprofit hospital, medical-surgical, dental and health service corporation or health maintenance organization. Any such provision in a policy, agreement, certificate, or contract issued or renewed after the effective date of this Act shall be invalid.

(2) Issuance or renewal of a policy, agreement, certificate or contract in violation of subsection (1) of this section is punishable as provided in KRS 304.3-200 and KRS 304.99-020. Each policy, agreement, certificate or contract issued shall constitute a separate offense.

(3) This Act shall be effective on January 1, 1985.

Section 2. KRS 304.32-270 is amended to read as follows:

Nonprofit hospital, medical-surgical, dental and health service corporations are subject to the provisions of this subtitle, and to the following provisions of this code, to the extent applicable and not in conflict with the express provisions of this subtitle:

(1) Subtitle 1 -- Scope of Code;
(2) Subtitle 2 -- The Insurance Commissioner;
(3) Subtitle 7 -- Investments;
(4) Subtitle 8 -- Administration of Deposits;
(5) Subtitle 12 -- Trade Practices and Frauds;
(6) Subtitle 25 -- Continuity of Management;
(7) Subtitle 33 -- Rehabilitation and Liquidation;
(8) Subtitle 18 -- KRS 304.18-110, 304.18-120 -- Group Conversion;
(9) Subtitle 4 -- Fees and Taxes;
(10) Subtitle 99 -- Penalties; and
(11) Subtitle 14 -- KRS 304.14-500 to 304.14-550, *and Section 1 of this Act.*

Section 3. KRS 304.38-200 is amended to read as follows:

Health maintenance organizations are subject to the provisions of this subtitle, and to the following provisions of Chapter 304, to the extent applicable and not in conflict with the expressed provisions of this subtitle;

(1) Subtitle 1 -- Scope of Code;
(2) Subtitle 2 -- The Insurance Commissioner;
(3) Subtitle 4 -- Fees and Taxes;
(4) Subtitle 5 -- Kinds of Insurance; Limits of Risk; Reinsurance;
(5) Subtitle 12 -- Trade Practices and Frauds;
(6) Subtitle 14 -- KRS 304.14-500 to 304.14-550*, and Section 1 of this Act*;
(7) Subtitle 25 -- Continuity of Management;
(8) Subtitle 33 -- Rehabilitation and Liquidation; and
(9) Subtitle 99 -- Penalties.

Section 4. KRS 304.17-060 is amended to read as follows:

There shall be a provision as follows:

"Time Limit on Certain Defenses: (a) After three (3) years from the date of issue of this policy no misstatements, except fraudulent misstatements, made by the applicant in the application for such policy shall be used to void the policy or to deny a claim for loss incurred or disability (as defined in the policy) commencing after the expiration of such three (3) year period."

(The foregoing policy provision shall not be so construed as to affect any legal requirement for avoidance of a policy or denial of a claim during such initial three (3) year period, nor to limit the application of KRS 304.17-190 to *304.17-210* [~~304.17-230~~], inclusive, in the event of misstatement with respect to age or occupation or other insurance.)

A policy which the insured has the right to continue in force subject to its terms by the timely payment of premium (a) until at least age fifty (50) or (b) in the case of a policy issued after age forty-four (44) for at least five (5) years from its date of issue, may contain in lieu of the foregoing the following provision, from which the clause in parentheses may be omitted at the insurer's option, under the caption "Incontestable":

"After the policy has been in force for a period of three (3) years during the lifetime of the insured (excluding any period during which the insured is disabled), it shall become incontestable as to the statements contained in the application."

(b) No claim for loss incurred or disability (as defined in the policy) commencing after two (2) years from the date of issue of this policy, shall be reduced or denied on the ground that a disease or physical condition not excluded from coverage by name or specific description effective on the date of loss had existed prior to the effective date of coverage of this policy.

Section 5. The following sections of KRS Chapter 304 are repealed:

304.17-220 Insurance with other insurers -- Expense incurred benefits -- "Other valid coverage."
304.17-230 Insurance with other insurers -- Other benefits -- "Other valid coverage."

The Committee on Business Organizations and Professions reported **HB 924** with Committee Amendments attached thereto, and **SB 105** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 924, AN ACT relating to the Kentucky athletic commission.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 229.011 is amended to read as follows:

As used in this chapter unless the context clearly indicates otherwise the following definitions shall apply:

(1) "Advertise" includes the use of handbills, placards, posters, billboards, pictures, printed or written material or newspapers or other publications, or radio, television and other communication media.

(2) "Exhibition," in addition to its ordinary meaning, shall include a public show or showing through the medium of closed circuit television to which an admission ticket is required, or other charge is made.

(3) "Person" includes an individual, partnership, corporation, association, *fraternal organization* or club.

(4) "Professional" is *an athlete* [~~a boxer or wrestler~~] who competes for a money prize, or other pecuniary gain.

(5) *"Professional game" is a basketball, football, ice hockey, polo, rugby, soccer, tennis or other athletic competition in which a professional is a contestant.*

(6) "Professional match" is a boxing, *karate, kick boxing,* sparring, or wrestling match or exhibition

in which a professional is a contestant.

Section 2. KRS 229.021 is amended to read as follows:

Unless a license or permit has been granted by the commission, as provided in this chapter, no person shall:

(1) Engage in a professional *game or* match, or a fight for a bet or stakes;

(2) Act a second in a professional match, bear a challenge or the oral or written acceptance of a challenge for such match, make up or aid in making up the stakes for the match or assist in any way in the bringing on or conducting of *any game or* [~~the~~] match;

(3) Train or prepare, or assist another in training or preparing for such a *game or* match in this state;

(4) Voluntarily permit the use of any land owned, controlled or occupied by him for such a *game or* match. *If a license or permit has been granted by the commission, permission of the owner shall be by express written contract.*

Section 3. KRS 229.031 is amended to read as follows:

(1) Every person conducting a professional *game,* [~~boxing or wrestling~~] match or exhibition, other than those holding a permit under subsection (1) of KRS 229.061, shall, within twenty-four (24) hours after the termination of every *game,* match or exhibition, furnish to the commission a written report, verified by the person, if an individual, or by some officer, if a corporation or association, showing the number of tickets sold for the *game,* match or exhibition, the amount of the gross receipts from such sale and such other matters as the commission prescribes. He shall also, within the same period, pay to the commission a tax of five per cent (5%) of the gross receipts from the sale of all tickets to the *game,* match or exhibition.

(2) He shall also pay to the commission, as soon as possible, a tax of five per cent (5%) of the gross receipts from all other sources, direct or indirect, including but not by way of limitation the gross receipts from the sale, lease or other exploitation of broadcasting, television and motion picture rights of such contests. He shall also, prior to any such professional *game,* [~~boxing or wrestling~~] match or exhibition, file with the commission a copy of each contract involving compensation of the contestants and a copy of each contract under which he will receive, directly or indirectly, compensation from any source whatsoever. Any person making payments under any such contract shall promptly report to the commission the amount of any such payments.

(3) All taxes required to be paid by this section shall be computed on the gross receipts without any deduction whatsoever for commissions, brokerage, distribution fees, advertising or other expenses, charges or recoupments in respect thereto, exclusive of any federal excise taxes.

(4) Any person supplying radio, television or cable facilities for the broadcast or televising of any professional *game or* match shall, prior to the contest, notify the commission.

Section 4. KRS 229.041 is amended to read as follows:

Whenever a person fails to make the report within the time prescribed by KRS 229.031, or whenever the report is unsatisfactory to the commission, it may examine or cause to be examined the books and records of that person to ascertain and fix the total amount of its gross receipts for any *game,* match or exhibition and the amount of the tax due.

Section 5. KRS 229.051 is amended to read as follows:

Before a permit is granted to any person to hold a professional *game,* [~~boxing or a wrestling~~] match or exhibition, the applicant shall file with the commission a bond in the sum of five thousand dollars ($5,000), to be approved as to form and the sufficiency of the sureties by the commission, conditioned for the payment of the tax imposed by KRS 229.031. Upon the approval of the bond, the commission shall issue to the applicant a certificate of filing and approval, which shall be filed by the applicant with the commission, with the application for the permit. No such permit shall be issued until such certificate has been filed.

Section 6. KRS 229.071 is amended to read as follows:

(1) No person shall conduct, or advertise a professional *game or* match without an annual license from the commission to conduct such *games or* matches within a specified area and a permit to hold the specific *game or* match and the accompanying program of events at a specified location on a specific date.

(2) If in the judgment of the commission the financial responsibility, experience, character and general fitness of an applicant, including in the case of corporations its officers and stockholders, are such that the participation of such applicant will be consistent with the public interest, convenience or necessity and with the best interests of *sports regulated by this chapter* [~~boxing or wrestling~~] generally and in conformity with the purposes of this chapter, the commission may grant an annual license in accordance with the provisions herein contained.

(3) The annual license fee shall be three hundred dollars ($300) where the professional *games or* matches are to be conducted within fifteen (15) miles of the city limits of a city or cities containing an aggregate population of two hundred thousand (200,000) or more and one hundred dollars ($100) elsewhere. Each such license shall expire twelve (12) months after the date of issue.

(4) No person may be issued an annual license unless he has been a resident of Kentucky for sixty (60) days prior to the issuance thereof, or in the case of a corporation, unless it has qualified to do business in the Commonwealth.

(5) In determining which applicant may be granted a permit to conduct a professional wrestling match the commission shall give preference to Kentucky residents and domestic corporations.

Section 7. KRS 229.081 is amended to read as follows:

No person shall participate in a professional *game or* match in any of the hereinbelow enumerated capacities without holding a license issued by the commission.

The fees for such licenses shall be:

Person	Fee
Announcer	$5.00
Auditor	1.00
Contestant	5.00
Doorman	1.00
Inspector	5.00
Judge (amateur)	1.00
Judge (professional)	5.00
Manager	5.00
Physician	5.00
Referee	25.00
Second	2.00
Ticket selling agent	1.00
Timekeeper	5.00
Trainer	5.00

Licenses issued to referees and physicians shall expire twelve (12) months from date of issue and those issued to other officials on December 31 of the year in which they are issued. The commission may fix a schedule establishing the compensation to be paid to officials for participating in a professional *game or* match. Such compensation shall be paid by the person conducting the *game or* match, and by no other person.

Section 8. KRS 229.131 is amended to read as follows:

Decisions may be rendered in any *professional game,* [~~boxing or wrestling~~] match or exhibition, permitted by this chapter, in the discretion of the commission and by such method as it by rule prescribes.

Section 9. KRS 229.141 is amended to read as follows:

All structures or parts of structures used, or intended to be used, for *professional games,* [~~boxing and wrestling~~] matches and exhibitions, shall be properly ventilated and provided with fire exits and fire escapes, if need be, and shall conform to the laws, ordinances and regulations pertaining to buildings in the city where situated.

Section 10. KRS 229.171 is amended to read as follows:

The commission shall have and hereby is vested with the sole direction, management, control and jurisdiction over all *basketball,* boxing, *football, ice hockey, karate, kick boxing, polo, rugby, soccer,* sparring and *tennis games,* [~~wrestling~~] matches or exhibitions, professional as well as amateur, to be conducted, held or given within the commonwealth. The commission is hereby given the sole control, authority and jurisdiction over all licenses to hold *such games,* [~~boxing, sparring or wrestling~~] matches or exhibitions for prizes or purses or where an admission fee is received, and over all licenses to any and all persons who participate in such *games,* [~~boxing, sparring or wrestling~~] matches or exhibitions.

Section 11. KRS 229.200 is amended to read as follows:

(1) The commission may suspend or revoke or refuse to renew or issue a license for the reason therein stated, that the licensee or applicant has, in the judgment of the commission, been guilty of an act detrimental to the interests of *the professional sports regulated by this chapter* [~~boxing or wrestling~~] generally or to the public interest, convenience or necessity, including, but not by way of limitation, the violation of any of the provisions of this chapter or any rule or regulation of the commission.

(2) Without limiting the discretion of the commission as provided in this chapter, the commission may suspend or revoke a license or refuse to renew or issue a license, if it shall find that the applicant, or any person who is a partner, agent, employe, stockholder or associate of the applicant, has been convicted of a crime in any jurisdiction, or is associating or consorting with any person who has or persons who have been convicted of a crime or crimes in any jurisdiction or jurisdictions, or is consorting or associating with or has consorted or associated with bookmakers, gamblers or persons of similar pursuits, or has himself engaged in similar pursuits, or is financially irresponsible, or has been guilty of or attempted any fraud or misrepresentation in connection with *the professional sports regulated by this chapter* [~~boxing or wrestling~~], or has violated or attempted to violate any law with respect *thereto* [~~to boxing or wrestling~~] in any jurisdiction or any rule, regulation or order of the commission, or shall have violated any rule of *professional sports* [~~boxing or wrestling~~] which shall have been approved or adopted by the commission, or has been guilty of or engaged in similar, related or like practices.

(3) Any licensee whose license has been suspended, may with the approval of the commission, elect to pay the commission a penalty which the commission may fix at an amount not in excess of five hundred

dollars ($500). Such a payment, when received by the commission, shall have the effect of removing the suspension.

Section 12. KRS 229.240 is amended to read as follows:

All peace officers, on being informed or having reason to believe that a professional *game or* match that is not authorized under this chapter is about to take place, or that there is training or preparation for such a contest, in any place within their jurisdiction, shall suppress and prevent it. For this purpose any peace officer may enter any place where such contest is being held or will be held or where there is training or preparation for such a contest and may arrest without a warrant any person who does not submit satisfactory proof that he has whatever license or permit is required by this chapter.

The Committee Amendment No. 1 to **HB 924** is as follows:

Amend printed copy of **HB 924,** page 10, after line 25, by adding the following:

SECTION 13. A NEW SECTION OF KRS CHAPTER 229 IS CREATED TO READ AS FOLLOWS:

(1) The first $100,000 in fees and charges collected by the Kentucky athletic commission shall be paid into the state treasury and credited to a separate revolving or trust and agency fund account established for the purpose of administrating the provisions of this chapter. The amount of fees and charges collected in excess of $100,000 shall be deposited to the credit of the general fund. The cost and expenses of administering the provision of this chapter, including compensation to members of the board and its officers and employes shall be paid out of the state treasury upon warrants of the secretary of the finance and administration cabinet according to law, provided that the total expense of administering these provisions shall not exceed the fees and other charges collected by the board and available in the revolving or trust and agency fund account of that commission, except that, in fiscal year 1984-85 such costs shall not exceed the fees and other charges collected by the commission and available in the revolving or trust and agency account plus any funds which are appropriated to the commission under the provisions of **HB 474** of the 1984 session of the Kentucky general assembly.

(2) All fees and charges collected by the Kentucky athletic commission, up to a maximum of $100,000, shall be available for the administration of the provisions of this chapter, and for no other purpose.

The Committee Amendment No. 2 to **HB 924** is as follows:

Amend printed copy of **HB 924,** page 8, line 17, by inserting after the word "commonwealth" the following "*, with the exception of collegiate and elementary and secondary athletics.*"

SB 105, AN ACT relating to advertising.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 244.130 is amended to read as follows:

(1) Except in conformity with regulations of the board, no licensee under KRS 243.020 to 243.670 shall:

(a) Advertise or cause or permit to be advertised in any manner any product which he is licensed to manufacture or sell; nor

(b) Have or exhibit in a window any display of alcoholic beverages.

(2) Subsection (1) of this section shall not prohibit:

(a) Advertising in newspapers, magazines or periodicals having a general circulation among regular paying subscribers or patrons;

(b) Promotional advertising on radio or television limited to no more than the name of the licensee and the products the licensee is permitted to manufacture or sell;

(c) Promotional advertising containing the names of establishments or products displayed on uniforms or equipment of sporting teams*;*

(d) Promotional advertising pursuant to sponsorship of billiard or bowling leagues or tournaments.

The Committee on Education reported **HB 787, SB 26** with Committee Amendment attached thereto, **SB 27, SB 259,** and **SB 292** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 787, AN ACT relating to the Kentucky Teachers' Retirement System and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 18A.115 is amended to read as follows:

(1) The classified service to which KRS 18A.005 to 18A.200 shall apply shall comprise all positions in the state service now existing or hereafter established, except the following:

(a) The general assembly and employes of the general assembly including the employes of the legislative research commission;

(b) Officers elected by popular vote and persons appointed to fill vacancies in elective offices;

(c) Members of boards and commissions;

(d) Officers and employes on the staff of the governor, the lieutenant governor, the office of the secretary of the governor's cabinet, and the office of program administration;

(e) Cabinet secretaries, commissioners, office heads, and the administrative heads of all boards and commissions, including the executive director of Kentucky Educational Television;

(f) Employes of Kentucky Educational Television who have been determined to be exempt from classified service by the Kentucky Authority for Educational Television, which shall have sole authority over such exempt employes for employment, dismissal and setting of compensation, up to the maximum established for the executive director and his principal assistants;

(g) One (1) principal assistant or deputy for each person exempted under subsection (1)(e) of this section;

(h) One (1) additional principal assistant or deputy as may be necessary for making and carrying out policy for each person exempted under subsection (1)(e) of this section in those instances in which the nature of the functions, size or complexity of the unit involved are such that the commissioner approves such an addition on petition of the relevant cabinet secretary or department head and such other principal assistants, deputies, or other major assistants as may be necessary for making and carrying out policy for each person exempted under subsection (1)(e) of this section in those instances in which the nature of the functions, size or complexity of the unit involved are such that the board may approve such an addition or additions on petition of the department head approved by the commissioner;

(i) Division directors subject to the provisions of KRS 18A.170. Division directors in the classified service as of January 1, 1980, shall remain in the classified service;

(j) Physicians employed as such;

(k) One (1) private secretary for each person exempted under subsections (1)(e), (1)(g) and (1)(h) of this section;

(l) The judicial department, referees, receivers, jurors, and notaries public;

(m) Officers and members of the staffs of state universities and colleges and student employes of such institutions; *officers and employes of the teachers' retirement system;* and officers, teachers, and employes of local boards of education;

(n) Patients or inmates employed in state institutions;

(o) Persons employed in a professional or scientific capacity to make or conduct a temporary or special inquiry, investigation, or examination on behalf of the general assembly, or a committee thereof, or by authority of the governor, and persons employed by state agencies for a specified, limited period to provide professional, technical, scientific, or artistic services under the provisions of KRS 45.700 to 45.720;

(p) Seasonal, temporary, and emergency employes;

(q) Federally funded time-limited employes;

(r) Officers and members of the state militia;

(s) State police troopers and sworn officers in the bureau of state police, department of justice;

(t) University or college engineering students or other students employed part-time or part-year by the state through special personnel recruitment programs; provided that while so employed such aides shall be under contract to work full-time for the state after graduation for a period of time approved by the commissioner or shall be participants in a cooperative education program approved by the commissioner;

(u) Superintendents of state mental institutions, including heads of mental retardation centers, and penal and correctional institutions as referred to in KRS 196.180(2);

(v) Staff members of the Kentucky Historical Society, if they are hired in accordance with KRS 171.311;

(w) County and Commonwealth's attorneys and their respective appointees.

(2) Nothing in KRS 18A.005 to 18A.200 is intended, or shall be construed, to alter or amend the provisions of KRS 150.022 and 150.061.

(3) Nothing herein is intended or shall be construed to affect any nonmanagement, nonpolicy-making position which must be included in the classified service as a prerequisite to the grant of federal funds to a state agency.

(4) Classified employes with status promoted to positions exempted from classified service shall, upon termination of their employment in the exempted service, revert to a position in that class in the agency from which they were terminated if a vacancy in that class exists. If no such vacancy exists, they shall be considered for employment in any vacant position for which they were qualified pursuant to KRS 18A.130 and 18A.135.

(5) Nothing herein shall be construed as precluding appointing officers from filling nonclassified positions in the manner in which positions in the classified service are filled except as otherwise provided herein.

Section 2. KRS 61.525 is amended to read as follows:

Membership in the system shall consist of the following:

(1) All persons who become employes of a participating department after the date such department first participates in the system;

(2) All persons who are employes of a department on the date the department first participates in the system, either in service or on authorized leave from service, and who elect within thirty (30) days following such department's participation, or in the case of persons on authorized leave, within thirty (30) days of their return to active service, to become members and thereby agree to make contributions as provided in KRS 61.510 to 61.692;

(3) All persons who are employes of any credit union whose membership is limited to employes of state government;

(4) All persons who were professional staff employes of the council on higher education or the higher education assistance authority and were contributing to the system on the effective date of executive order 74-762 or 75-964 respectively and file a written election of their desire to continue in the system; [~~and~~]

(5) All persons who were professional staff employes of the Kentucky authority for educational television on and after July 1, 1974*; and*

(6) All persons who are employes of the teachers' retirement system except employes who are required to participate under the teachers' retirement system under KRS 161.220(4)(d).

Section 3. KRS 161.220 is amended to read as follows:

As used in KRS 161.220 to 161.710:

(1) "Retirement system" means the arrangement provided for in KRS 161.230 to 161.710 for payment of allowances to teachers.

(2) "Retirement allowance" means the amount annually payable during the course of his natural life to a member who has been retired by reason of service.

(3) "Disability allowance" means the amount annually payable to a member retired by reason of disability.

(4) "Teacher" means any member of a local retirement system who became a member of the state teachers' retirement system according to the provisions of Acts 1938 (1st Ex. Sess.), ch. 1, paragraph 49, and any regular or special teacher, supervisor or administrator occupying a position requiring certification by the state department of education or a professional level of training, as a condition of employment, and who is employed by public boards, institutions, or agencies as follows:

(a) Local boards of education;

(b) Eastern Kentucky University, Kentucky State University, Morehead State University, Murray State University, Western Kentucky University, and any community or junior colleges established under the control of any of the above;

(c) State and area vocational schools, Kentucky school for the blind, and Kentucky school for the deaf;

(d) The state department of education, and such members of the administrative staff of the teachers' retirement system of the state of Kentucky as the board of trustees may designate by regulation;

(e) Regional cooperative organizations formed by local boards of education and/or other public educational institutions listed in this subsection, for the purpose of providing educational services to the participating organizations; and

(f) All full-time members of the staffs of the Kentucky association of school administrators, Kentucky education association, Kentucky vocational association, Kentucky high school athletic association and the Kentucky school boards association who were members of the Kentucky teachers' retirement system or were qualified for a position covered by the system at the time of employment by the association in the event that the board of directors of the respective association petition to be included. The board of trustees of the Kentucky teachers' retirement system may designate by resolution whether part-time employes of the petitioning association are to be included. The state shall make no contributions on account of such employes, either full-time or part-time. The association shall make the employer's contributions including any overmatch that is specified under KRS 161.550. The provisions of this paragraph shall be applicable to such persons in the employ of the associations on or subsequent to July 1, 1972.

(5) "Present teacher" means any teacher who was a teacher on or before July 1, 1940, and became a member of the retirement system created by Acts 1938 (1st Ex. Sess.), ch. 1, on the date of the inauguration of the system or within one (1) year after that date, and any teacher who was a member of a local teacher retirement system in the public elementary or secondary schools of the state on or before July 1, 1940, and continued to be a member of such system until he, with the membership of the local retirement system, became a member of the state teachers' retirement system or who becomes a member under the provisions of KRS 161.470(4).

(6) "New teacher" means any teacher not a present teacher.

(7) "Prior service" means the number of years during which the member was a teacher in Kentucky prior to July 1, 1941, except that not more than thirty (30) years' prior service shall be allowed or credited to any teacher.

(8) "Subsequent service" means the number of years during which the teacher is a member of the teachers' retirement system after July 1, 1941.

(9) "Final average salary" means the average of the five (5) highest annual salaries which the member has received for service in a covered position and on which the member has made contributions, or on which the public board, institution or agency has picked up employe contributions pursuant to KRS 161.540*(2)*[~~(4)~~], or the average of the five (5) years of highest salaries as defined in KRS 61.680(2)(a), which shall include picked up employe contributions.

(10) "Annual compensation" means the contractual salary and additions thereto received by a member as compensation for services as a teacher in the public schools of Kentucky during a fiscal year before any deductions.

(11) "Age of member" means the age attained on the first day of the month immediately following the birthdate of the member. This definition is limited to retirement eligibility and does not apply to tenure of members.

(12) "Age of entrance" means the age attained at the last birthday of any member at the time of the establishment of the retirement system, if the member was a member subject to membership in the system at that time. Otherwise it means the age attained as of July 1 of the fiscal year in which he first becomes a member of the retirement system. Any birthday occurring on February 29 shall be considered as occurring on February 28.

(13) "Regular interest" means interest at three percent (3%) per annum.

(14) "Accumulated contributions" means the contributions of a member to the teachers' savings fund for retirement annuity, including picked up employe contributions as described in KRS 161.540*(2)*[~~(4)~~], plus accrued regular interest.

(15) "Annuitant" means a person who receives a retirement allowance or a disability allowance.

(16) "Local retirement system" means any teacher retirement or annuity system created in any public school district in Kentucky in accordance with the laws of Kentucky.

(17) "Fiscal year" means the twelve-month period from July 1 to June 30.

(18) "Public schools" means the schools and other institutions mentioned in subsection (4) of this section.

(19) "Dependent" as used in KRS 161.520 and 161.525 means a person who was receiving, at the time of death of the member, at least one-half (1/2) of the support from the member for maintenance, including board, lodging, medical care and like costs.

(20) "Active contributing member" means a member currently making contributions to the teachers' retirement system or who made such contributions in the next preceding fiscal year, or for whom picked up employe contributions are currently being made or for whom such contributions were made in the next preceding fiscal year.

(21) "Regular teacher, supervisor, or administrator", when used to determine eligibility for membership in the retirement system, means a professional employe holding a position which requires services on a continuing basis equal to at least seven-tenths (7/10) of normal full-time service on a daily or weekly basis.

Section 4. KRS 161.330 is amended to read as follows:

The cost of administration of the retirement system shall be paid out of the expense fund established for that purpose by the board of trustees. The board of trustees shall be responsible for the approval and administration of the expense fund budget, subject to the limitations imposed by KRS 161.420 (1). Expenses for the operation of the retirement system shall be in such amounts as the board of trustees approves. *The board of trustees is authorized to purchase or lease suitable office quarters for the operation of the retirement system.*

Section 5. KRS 161.340 is amended to read as follows:

(1) The board of trustees shall elect from its membership a chairperson and a vice chairperson on an annual basis as prescribed by the rules and regulations of the board of trustees. It shall appoint an executive secretary and fix the compensation for this position without limitation of the provisions of KRS Chapter 18A

and KRS 64.640[~~, except that such compensation shall not exceed the maximum set for commissioners by KRS 64.640(2)~~]. *The executive secretary shall be the chief administrative officer of the board.* The compensation set by the board of trustees for the position of executive secretary may provide for the same annual leave, sick leave, insurance and similar benefits as provided for other employes of the retirement system. The executive secretary, at the time of appointment or selection, shall be a graduate of a standard four-year college, and shall possess such other qualifications as the board of trustees may require by regulation. The executive secretary shall not have held by appointment or election an elective public office within the five-year period next preceding the date of appointment or selection.

(2) The board shall employ such clerical, administrative, and other personnel as are required to transact the business of the retirement system. The compensation of all such persons employed by the board shall be paid at such rates and in such amounts as the board approves [~~subject to the approval of the commissioner of personnel~~]. Anything in the Kentucky Revised Statutes to the contrary notwithstanding, the power over and the control of determining and maintaining an adequate complement of employes in the system shall be under the exclusive jurisdiction of the board of trustees.

(3) The board shall contract for such actuarial, auditing, medical, investment counseling, and other professional or technical services as are required to carry out the obligations of the board without limitations of KRS *Chapters* [~~Chapter~~] 56 and [~~KRS Chapter~~] 45A, and shall provide for legal counsel and such other legal services as may be required in defense of trustees, officers and employes of the system who may be subjected to civil action arising from the performance of their legally assigned duties in the event such counsel and services are not provided by the attorney general.

(4) The board shall require the trustees, executive secretary and such employes as it thinks proper to execute bonds for the faithful performance of their duties notwithstanding the limitations of KRS Chapter 62.

Section 6. KRS 161.420 is amended to read as follows:

All the assets of the retirement system shall be credited according to the purpose for which they are held to one (1) of the following funds:

(1) The expense fund shall consist of the funds set aside from year to year by the board of trustees to defray the expenses of the administration of the retirement system. Each fiscal year an amount not greater than four percent (4%) of the receipts of the state accumulation fund shall be set aside into the expense fund or expended for the administration of the retirement system.

(2) The teachers' savings fund shall consist of the contributions paid by members of the retirement system into this fund and regular interest assigned by the board of trustees from the guarantee fund. The accumulated contributions of a member returned to him upon his withdrawal or paid to his estate or designated beneficiary in the event of his death shall be paid from the teachers' savings fund. Any accumulated contributions forfeited by a failure of a teacher or his estate to claim the same shall be transferred from the teachers' savings fund to the guarantee fund. The accumulated contributions of a member shall be transferred from the teachers' savings fund to the allowance reserve fund in the event of retirement by reason of service or disability.

(3) The state accumulation fund shall consist of funds appropriated by the state for the purpose of providing annuities including any sums appropriated for meeting unfunded liabilities, excluding money assigned to the expense fund together with regular interest assigned by the board of trustees from the guarantee fund. At time of retirement of a member by reason of service or disability there shall be transferred from the state accumulation fund to the allowance reserve fund an amount which together with the sum transferred from the teachers' savings fund will be sufficient to provide the member a retirement allowance.

(4) The allowance reserve fund shall be the fund from which shall be paid all retirement allowances.

(5) The survivor, death and medical insurance fund shall consist of amounts accumulated for the purpose of providing benefits as provided in KRS 161.520, 161.525, 161.655 and 161.675. One and *eighty-one hundredths percent (1.81%)* [~~one-quarter percent (1.25%)~~] of the gross annual payroll of all members shall be deposited to this fund. One-half of this amount shall derive from member contributions and one-half from state appropriation. In addition whenever a change in the status of a member results in an obligation on this fund, there shall be transferred to this fund from the teachers' savings fund, the state accumulation fund, and the allowance reserve fund such amounts as may be held in those funds for the account or benefit of the member. All claims for benefits under KRS 161.520, 161.525, 161.655 and 161.675 shall be paid from this fund. Any amounts not required to meet current costs shall be maintained as a reserve for these benefits.

(6) The guarantee fund shall be maintained to facilitate the crediting of uniform interest on the amounts of the other funds, except the expense fund, and to provide a contingent fund out of which special requirements of any of the other funds may be covered. All income, interest and dividends derived from the authorized deposits and investments shall be paid into the guarantee fund. Any funds received from gifts and bequests, which the board is hereby authorized to accept, shall be credited to the guarantee fund. Any funds transferred from the teachers' savings fund by reason of lack of claimant or because of a surplus in any fund and any other moneys whose disposition is not otherwise provided for, shall also be credited to the guarantee fund. The interest allowed by the board of trustees to each of the other funds shall be paid to such funds from

the guarantee fund. Any deficit occurring in any fund that would not be automatically covered shall be met by the payments from the guarantee fund to that fund.

Section 7. KRS 161.430 is amended to read as follows:

(1) The board of trustees shall be the trustee of the funds of the retirement system and shall have full power and responsibility for the purchase, sale, exchange, transfer or other disposition of the investments and moneys of the retirement system. The board may invest in securities which, at the time of making the investment, are, by law, permitted for the investment of funds by fiduciaries in this state, except that the board may at its discretion purchase common stocks in corporations that do not have a record of paying dividends to their stockholders. The board shall employ an experienced competent investment counselor to advise it on all matters pertaining to investment. The board may appoint an investment committee consisting of the executive secretary and two trustees to act for the board in all matters of investment subject to the approval of the board of trustees. The board of trustees in keeping with their responsibilities as trustees and wherever consistent with their fiduciary responsibilities shall give priority to the investment of funds in obligations calculated to improve the industrial development and enhance the economic welfare of the Commonwealth.

(2) The board members and investment counselor shall discharge their duties with respect to the assets of the system solely in the interests of the active contributing members and annuitants and:

(a) For the exclusive purpose of providing benefits to members and annuitants and defraying reasonable expenses of administering the system;

(b) With the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;

(c) In accordance with the laws, regulations and other instruments governing the system.

(3) (a) In choosing and contracting for professional investment management services the board must do so prudently and in the interest of the members and annuitants. Any contract that the board makes with an investment counselor shall set forth policies and guidelines of the board with reference to standard rating services and specific criteria for determining the quality of investments.

(b) An investment counselor appointed under this section shall acknowledge in writing his fiduciary responsibilities to the fund. To be eligible for appointment, an investment counselor must be:

1. Registered under the Federal Investment Advisors Act of 1940; or
2. A bank as defined by that Act; or
3. An insurance company qualified to perform investment services under the laws of more than one (1) state.

(4) Not more than twenty-five percent (25%) of any one (1) issue may be purchased as an investment and not more than seven percent (7%) of the invested funds of the system may be invested in the securities of any issuer except in the case of obligations of the United States government. No investment may be made in the obligation of any issuer which has been in default of any of its bonds or interest during a period of the last ten (10) years immediately preceding the purchase.

(5) (a) There shall be no limit on investments in bonds, notes, *real estate mortgages,* and other obligations of or guaranteed by the United States government, or those for which the credit of the United States government is pledged for the payment of the principal and interest thereof, and any bonds, notes, debentures, or any other obligations or securities issued or generated by any federal government agency, presently or in the future establishment by an Act of Congress, and as amended or supplemented from time to time;

(b) Except as provided in subsection (a) of this section, no more than seventy-five percent (75%) of the assets of the system may be invested in obligations consisting of bonds, notes, debentures, equipment trust certificates, conditional sales agreements, or other fixed obligations in any form. Purchase of any of the above shall be limited to those which are the direct obligation or are secured by direct obligation, of a corporation organized under the laws of the United States, or any state in the United States, or District of Columbia or are secured by first mortgages in the case of equipment trust certificates and conditional sales agreements. Such bonds or other obligations must be rated at the time of purchase within the three (3) highest classifications established by one (1) or more major rating services, or if not rated, must be certified in writing by one (1) or more such services to be of investment quality equivalent to, or higher than, the quality of bonds rated in the third highest investment classification;

(c) No more than forty percent (40%) of the assets of the system may be invested in common or preferred stocks, issued or guaranteed by a corporation created or existing under the laws of the United States or any state thereof. *No more than ten percent (10%) of the assets of the system may be invested in a stock index portfolio that is designed to replicate the movement of the standard and poor's composit index of five hundred (500) stocks*;

(d) No more than ten percent (10%) of the assets of the system may be invested in real estate, real estate lease agreements, *conventional* first mortgages on real estate, or shares of beneficial interest in real estate investment trusts established under the laws of the United States or any state thereof;

(e) No more than ten percent (10%) of the assets of the system may be invested in any one (1) category of additional types of investment that are established by regulations by the board of trustees.

(6) No investment or disbursement of funds shall be made unless authorized by the board of trustees.

Section 8. KRS 161.440 is amended to read as follows:

At the end of each fiscal year the board of trustees shall assign from the guarantee fund [~~to each of the other funds, except the expense fund,~~] interest at the rate of three percent (3%) *to the teachers' savings fund, the state accumulation fund and the allowance reserve fund, and, effective July 1, 1978, interest at a rate of interest not to exceed the average yield on fixed income security investments for the immediate past year to the survivor, death and medical insurance fund.* The amounts so allowed shall be due and payable to the funds and shall be annually credited thereto by the board of trustees from interest and other earnings on money of the retirement system.

Section 9. KRS 161.470 is amended to read as follows:

(1) The membership of the retirement system shall consist of all new teachers and all present teachers except as provided in Acts 1938 (1st Ex. Sess.), ch. 1, paragraph 29. No person without previous Kentucky service who was age sixty-five (65) or older on July 1, next preceding employment may become a member of the teachers' retirement system.

(2) Service credit shall be forfeited upon withdrawal. If a teacher again enters service it shall be as a new teacher, except that any teacher who withdraws by claiming his deposits may repay the system the amount withdrawn plus interest and re-establish his service credit as provided in subsection (3) of this section.

(3) Effective July 1, 1974, and thereafter, an active contributing member of the retirement system with contributing service equal to two (2) years or the number of years subsequent to the withdrawal of contributions, whichever is the lesser number, may regain such service credit by depositing in the teachers' savings fund the amount withdrawn with interest at the rate to be set by the board of trustees, and computed from the first of the month of withdrawal and including the month of redeposit.

(4) Effective July 1, 1974, any active contributing member with at least two (2) years of contributing service credit who declined membership as provided in Acts 1938 (1st Ex. Sess.), ch. 1, paragraph 29, may secure service credit for prior service, and for any subsequent service prior to date of membership, by depositing in the teachers' savings fund contributions for each year of subsequent service prior to date of membership, with interest at the rate of *eight percent (8%)* [~~six percent (6%)~~] compounded annually to the date of deposit.

(5) Membership in the retirement system shall be terminated:

(a) By retirement for service;

(b) By death;

(c) By withdrawal of the member's accumulated contributions; or

(d) When a teacher, having less than five (5) years of Kentucky service is absent from service for more than three (3) consecutive years.

Upon termination of member accounts under this subsection, funds in the account shall be transferred to the state accumulation fund. Inactive members may apply for refunds of such funds at any time. Such terminated service shall be reinstated, if not withdrawn by the member, in the event that the teacher returns to active contributing service.

(6) In case of withdrawal from service prior to eligibility for retirement, the board of trustees shall on request of the teacher return all of his accumulated contributions with regular interest including any payments made by the teacher to the state accumulation fund, but the teacher shall have no claim on any contributions made by the state with a view to his retirement or to contributions made to the survivor, death and medical insurance fund. If the member is eligible for an immediate service retirement allowance as provided in KRS 161.600 no withdrawal and refund shall be permitted, unless the allowance would prohibit the member from qualifying for social security benefits. *Requests for refund of contributions by the member must be filed on forms prescribed by the teachers' retirement system and the employer must certify that the employment of the member has terminated as of the date of the application for refund of contributions.*

(7) Except as provided in KRS 161.520 and 161.525 in case of death prior to retirement the board of trustees shall pay to the estate of the deceased member or to his assigns all of his accumulated contributions, with regular interest, including any payments made by the teacher to the state accumulation fund, but the estate or assigns shall have no claim on any contributions made by the state with a view to the retirement of the teacher or to contributions made to the survivor, death and medical insurance fund.

(8) Any active contributing member of the Kentucky employes retirement system, the county employes retirement system, the state police retirement system, or the judicial retirement system may use service, under such retirement system for the purpose of meeting the service requirement of subsections (3) and (4) of this section.

Section 10. KRS 161.500 is amended to read as follows:

(1) At the close of each fiscal year, the retirement system shall add service credit to the account of each member who made contributions to his or her account during the year. Members shall be entitled to a full year of service credit if their total days of employment were not less than five (5) days from the number of

days contained in their employment agreement for a regular school or fiscal year. In no case shall more than one (1) year of service be credited for all service performed in one (1) fiscal year. Members who complete their employment contract prior to the close of a fiscal year and elect to retire prior to the close of a fiscal year shall have thier service credit reduced by eight percent (8%) for each calendar month that the retirement becomes effective prior to July 1.

(2) Members who are employed and paid for less than the number of days required in their normal employment year shall be entitled to pro rata service credit for the fractional service. Such credit shall be based upon the number of days employed and the number of days in the member's annual employment agreement or normal employment year [~~The board of trustees shall fix by regulations how much service in any year is equivalent to one year of service, but in no case shall more than one year of service be credited for all service in one fiscal year. Service rendered for the regular school year in any district or institution shall be equivalent to one year's service~~].

Section 11. KRS 161.507 is amended to read as follows:

(1) An active contributing member of the teachers' retirement system may receive credit for active service rendered in the armed forces of the United States subject to regulations established by the board of trustees. Such service may be credited only if discharge was other than dishonorable. Service shall be considered as Kentucky teaching service, except that it may not be used for meeting the service requirements set forth in KRS 161.600(1)(a) or 161.661(1). A maximum of six (6) years of such service may be credited but in no case a greater number of years than the actual years of contributing service in Kentucky.

(2) A member having twenty (20) years or more of active duty in the military service, and who is qualified for regular federal retirement benefits based on such service, may not receive credit for any such service in the teachers' retirement system. This subsection shall apply to service presented for credit on July 1, 1975, and thereafter.

(3) A member receiving retirement credit for active duty in the armed services of the United States shall contribute to the retirement system an amount equal to thirty-five percent (35%) of the actuarial cost for each year of service so credited. Such contributions shall not be picked up, as described in KRS 161.540*(2)*[~~(4)~~]. In purchasing retirement credit for active duty in the armed services the latest years of service shall be considered first in allowing credit toward retirement. The board of trustees shall adopt a table of actuarial factors to be used in calculating the amount of contribution required for crediting such service.

Section 12. KRS 161.515 is amended to read as follows:

(1) For the purposes of this section, "out-of-state service" shall mean service in any state in a comparable position, which would be covered if in Kentucky.

(2) (a) A member in active contributing status who has been a contributing member of the retirement system for at least one (1) full scholastic year, subsequent to the latest out-of-state service, may present for credit, service rendered out-of-state, not to exceed eight (8) such years actually taught as a certified or licensed teacher. *With the exception of university faculty members, all members who elect to purchase such service shall pay to the retirement system an amount equal to the current member contribution rate based on the first Kentucky salary of the member subsequent to the out-of-state service provided such service was rendered after January 1, 1984. In the event such service was rendered prior to January 1, 1984, the contribution rate shall be seven and eighty-four hundredths percent (7.84%). University faculty members shall pay on a contribution rate of seven and eighty-four hundredths percent (7.84%) based on the first Kentucky salary subsequent to the out-of-state service regardless of when the service was rendered. In addition, all members shall pay interest on the contributions for such service*[~~, provided such member pays to the retirement system an amount equal to the current member contribution to the retirement system based on the first Kentucky salary of the member subsequent to the out-of-state service and in addition thereto interest~~] at a rate to be set by the board of trustees on each annual contribution from the last day of the scholastic year in which the service was rendered to date of payment to the retirement system. Such payments shall not be picked up as described in KRS 161.540*(2)*[~~(4)~~]. For each year of which the retirement system shall accept the contribution and interest, one (1) year of service credit shall be given. Such credit may not be used to meet the service requirements of KRS 161.525, 161.600 or 161.661 except as provided in subsection (2)(c) of this section. No credit shall be granted for service which has been or will be used in qualifying for annuity benefit payments from another retirement system financed wholly or in part by public funds.

(b) A member of the retirement system having teaching service in the elementary or secondary schools operated by the United States overseas or in this country, or in a public college or university in Kentucky, not included in the teachers' retirement system of the state of Kentucky may present such service for credit in the retirement system on the same basis as provided above for out-of-state service credit, however, no such service may be presented which shall be used as a basis for retirement benefits in any program supported wholly or in part by such public institution or governmental agency. Such service when added to service credited under subsection (2)(a) of this section shall not exceed a total of eight (8) years service credit.

(c) A member having service referred to in subsection (2)(a) or (2)(b) of this section may elect to use such service for meeting the requirements of KRS 161.600(1)(b) by making an additional contribution to the state accumulation fund equal to *a* [~~the regular~~] member *contribution rate of seven and eighty-four hundredths percent (7.84%)* [~~contributions~~] for each year so used. Such payments shall not be picked up as described in KRS 161.540*(2)*[~~(4)~~]. The salary base to be used in determining this additional contribution shall be the final average salary which is used in calculating the member's regular retirement annuity.

(3) Members entering the teachers' retirement system for the first time, July 1, 1976, and thereafter, shall not receive credit for service defined in subsections (2)(a) and (2)(c) above in excess of one (1) year of credit for each two (2) years of Kentucky service in a covered position or eight (8) years, whichever is the lesser number.

Section 13. KRS 161.520 is amended to read as follows:

Upon death of an active contributing member or upon the death of a member retired for disability, except as provided in KRS 161.661(6), the survivors of the deceased member in the following named order, may elect to receive a survivor's benefit payable as follows:

(1) Where there is a surviving widow or widower who is named as beneficiary of the member's retirement account, the benefit shall be:

(a) One hundred sixty dollars ($160) per month with no restriction on other income; or

(b) Two hundred dollars ($200) per month when the surviving widow or widower's total income from all sources does not exceed six thousand dollars ($6,000) per year or five hundred dollars ($500) per month; or

(c) If the deceased member has a minimum of ten (10) years of service credit with the teachers' retirement system, the surviving widow or widower may apply for an annuity actuarially equivalent to the annuity that would have been paid to the deceased member when eligibility conditions were met. Eligibility for payments would begin at the time the age of the deceased member would have met the requirements of KRS 161.600(1). In exercising this right, the surviving widow or widower shall be entitled to receive an annuity for life except that eligibility for this benefit shall cease upon remarriage. This subsection applies to surviving spouses of members who die on or after July 1, 1978. *A surviving widow or widower shall be eligible for benefit payments provided under paragraphs (a) and (b) of this subsection until they begin receiving payments under this provision.*

(2) Where there are surviving unmarried children under age eighteen (18) or under age nineteen (19) if a full-time student in high school, the benefit shall be one hundred sixty-five dollars ($165) per month in the case of one (1) such child, two hundred ninety dollars ($290) per month in the case of two (2) such children, three hundred forty dollars ($340) per month in the case of three (3) such children, and three hundred seventy dollars ($370) per month in the case of four (4) or more such children. Benefits under this subsection shall apply notwithstanding benefits which may be payable under subsections (1) and (3).

(3) Where the survivor is a child age eighteen (18) or older whose mental or physical condition is sufficient to cause his dependency on the deceased member at the time of the member's death the benefit shall be two hundred dollars ($200) per month, payable for the life of such child or until such time as the mental or physical condition creating the dependency no longer exists. Benefits under this subsection and subsection (2) shall apply to legally adopted survivors provided the proceedings for the adoption were initiated at least one year prior to the death of the member. Benefits under this subsection shall apply notwithstanding benefits which may be payable under subsections (1) and (2) and shall be in addition to such benefits.

(4) Where the sole eligible survivors are dependent parents aged sixty-five (65) or over, the benefit shall be two hundred dollars ($200) per month for one (1) parent or two hundred ninety dollars ($290) per month for two (2) parents. Dependency of a parent shall be established as of the date of the death of the member.

(5) Where the sole eligible survivor is a dependent brother or sister, the benefit shall be one hundred sixty five dollars ($165) per month. In order to qualify the brother or sister must have been a resident of the deceased member's household for at least one (1) full year prior to the member's death or must have been receiving care in a hospital, nursing home or other institution at the member's expense for a like period.

(6) The benefit to a child as defined in subsection (2) of this section shall terminate upon the attainment of age eighteen (18) or upon reaching age nineteen (19) if a full-time student in high school or upon marriage, except that benefits shall continue until the attainment of age twenty-three (23) for an unmarried child who is a full-time student in a recognized educational program beyond the high school level. The benefit to a widow, widower, dependent parent or dependent brother or sister or dependent child age eighteen (18) or older shall terminate upon marriage, or upon termination of the condition creating the dependency.

(7) The board of trustees shall be the sole judge of eligibility or dependency of any beneficiary, and may require formal application or information relating thereto, including proof of annual income satisfactory to the board. The board of trustees may subpoena records and individuals whenever it deems such action necessary.

(8) No payments of benefits shall be made unless the board of trustees shall have authorized such payments. The board shall formulate and adopt necessary rules and regulations for the administration of the foregoing provisions and in every case the decision of the board of trustees shall be final as to eligibility,

dependency, or disability, and the amounts of benefit payable.

(9) In the event that there are no eligible survivors as defined in subsections (1), (2), (3), (4), and (5) of this section, the board of trustees shall pay to the estate or assigns of the deceased member a refund of his accumulated contributions as provided in KRS 161.470(7). If the benefits paid or payable under subsections (1), (2), (3), (4), and (5) of this section and KRS 161.661 shall amount to a sum less than the member's accumulated contributions at the time of death, the board of trustees shall pay to the estate or assigns of the deceased member the balance of such accumulated contributions.

SECTION 14. A NEW SECTION OF KRS CHAPTER 161 IS CREATED TO READ AS FOLLOWS:

Upon the death of a member retired for disability who had a minimum of thirty (30) years of service prior to retiring for disability, except as provided in KRS 161.661(6), the spouse, if named as the beneficiary of the member's account, shall be entitled to elect, in lieu of a refund of the member's account or benefits provided under KRS 161.520, an annuity actuarially equivalent to the annuity that would have been paid to the member had retirement for service been effective on the day the member retired for disability. In selecting this right, the spouse shall be limited to selecting an option providing a straight life annuity with refundable balance. There shall be a monthly minimum allowance of three hundred dollars ($300) as the basic straight life annuity. This section applies to surviving spouses of members who were receiving benefit payments under KRS 161.520 as of June 30, 1984, and to surviving spouses of members who die on or after July 1, 1984.

Section 15. KRS 161.540 is amended to read as follows:

(1) [~~Effective July 1, 1979, each member shall contribute to the retirement system seven and eighty-four hundredths percent (7 84/100%) of annual compensation. The contribution of members shall not exceed these applicable percentages on annual compensation.~~

~~(2)~~] Effective *July* [~~January~~] 1, 1984, each member shall contribute to the retirement system nine and *six-tenths percent (9.6%)* [~~thirty-two hundredths percent (9 32/100%)~~] of annual compensation except that university faculty members shall contribute *eight and twelve hundredths percent (8.12%)* [~~seven and eighty-four hundredths percent (7 84/100%)~~] of annual compensation. The contribution of members shall not exceed these applicable percentages on annual compensation.

(2)[~~(3)~~] Each public board, institution or agency, as listed in KRS 161.220(4)(a) through (f) shall, solely for the purpose of compliance with Section 414(h) of the United States Internal Revenue Code, pick up the employe contributions required by this section for all compensation earned after August 1, 1982, and the contributions so picked up shall be treated as employer contributions in determining tax treatment under the United States Internal Revenue Code and KRS 141.010(9). However, each public board, institution or agency shall continue to withhold federal and state income taxes based upon these contributions and hold them in a separate account until the Internal Revenue Service or the federal courts rule that, pursuant to Section 414(h) of the United States Internal Revenue Code, these contributions shall not be included as gross income of the employe until such time as the contributions are distributed or made available to the employe. The picked up employe contribution shall satisfy all obligations to the retirement system satisfied prior to August 1, 1982 by the employe contribution, and the picked up employe contribution shall be in lieu of an employe contribution. Each employer shall pay these picked up employe contributions from the same source of funds which is used to pay earnings to the employe. The employe shall have no option to receive the contributed amounts directly instead of having them paid by the employer to the system. Employe contributions picked up after August 1, 1982 shall be treated for all purposes of KRS 161.220 to 161.714 in the same manner and to the same extent as employe contributions made prior to August 1, 1982.

Section 16. KRS 161.545 is amended to read as follows:

Members may make contributions and receive service credit for substitute, part-time or any service other than regular full time teaching as provided in the rules and regulations of the board of trustees. Members placed on leave of absence may make contributions and receive service credit for such leave as provided in rules and regulations adopted by the board of trustees. Contributions permitted after August 1, 1982 shall be picked up pursuant to KRS 161.540*(2)*[~~(4)~~].

Section 17. KRS 161.550 is amended to read as follows:

(1) Beginning with July 1, 1976, the state shall contribute annually to the retirement system a permanent amount equal to that contributed by all members. The state shall, in addition to the above amount, provide an annual overmatch of three and one-fourth percent (3.25%) of total member salaries to discharge the system's unfunded obligations with interest assumed by the state. The state shall provide annual appropriations based upon estimated funds needed to meet the requirements of KRS 161.155 and 161.220 through 161.714. In the event an annual appropriation is in excess of these requirements, such excess funds shall, in the 1982-84 biennium, be retained by the system to be applied to any unfunded remaining costs as described in subsection (5) of KRS 161.155. In the event an annual appropriation is less than the amount of these requirements, the state shall make up the deficit in the next biennium budget appropriation to the retirement system.

(2) Beginning with July 1, 1986, the state shall contribute annually to the retirement system a permanent amount equal to that contributed by all employes of local school districts who are members of the

retirement system. The state shall, in addition to the above amount, provide an annual overmatch of three and one-fourth percent (3.25%) of total salaries of the employes of local school districts who are members of the retirement system to discharge the system's unfunded obligations with interest assumed by the state. Each employer, except local school districts, shall contribute annually to the retirement system a permanent amount equal to that contributed by its employes who are members of the retirement system plus an additional three and one-fourth percent (3.25%) of the total of salaries of its employes who are members of the retirement system to discharge the system's unfunded obligations with interest assumed by the state. Each employer, except local school districts, shall remit the required employer contributions to the retirement system under the terms and conditions specified for member contributions under KRS 161.560. The state shall provide annual appropriations based upon estimated funds needed to meet the requirements of KRS 161.155 and 161.220 through 161.714. In the event an annual appropriation is less than the amount of these requirements, the state shall make up the deficit in the next biennium budget appropriation to the retirement system. State contributions to the retirement system are for the exclusive purpose of providing benefits to members and annuitants and such contributions shall be considered deferred compensation to the members.

Section 18. KRS 161.560 is amended to read as follows:

Each agency employing members of the retirement system shall deduct from the compensation of each member for each payroll period subsequent to the date upon which the teacher became a member such percentage of his earnable compensation as is due under the rates prescribed in KRS 161.540. No later than fifteen (15) days following the end of each payroll period the agency shall forward all amounts so deducted to the teachers' retirement system. The retirement system shall charge the employing agency interest at an annual rate not to exceed twelve percent (12%) for deductions not remitted within the specified fifteen (15) days. Such payroll reports, contributions lists, and other data as may be required by regulation of the board of trustees shall be submitted. The deductions shall be made notwithstanding the fact that the salary as a result may be less than the minimum compensation provided by law. Every member shall be deemed to consent and agree to the deductions and the deductions shall be considered as having been paid to the member. After August 1, 1982, employe contributions shall be picked up by the agency pursuant to KRS 161.540*(2)*[~~(4)~~].

Section 19. KRS 161.565 is amended to read as follows:

Notwithstanding any other provisions of KRS Chapter 161, the contribution of university faculty members may be reduced by amounts up to two and two hundred fifteen thousandths percent (2 215/1000%) if amounts sufficient to replace the reduction are authorized and contributed to the teachers' retirement system by the board of regents of the employing university. After August 1, 1982, any contribution by a university faculty member shall be picked up by the employing university pursuant to KRS 161.540*(2)*[~~(4)~~].

Section 20. KRS 161.595 is amended to read as follows:

(1) Upon service retirement, a member of the teachers' retirement system may obtain credit for all or any part of the service otherwise creditable under the Kentucky employes' retirement system, the county employes' retirement system, or in the service of the United States government for which service credit is not otherwise given, upon the payment by the member of such amount or amounts as are actuarially determined to be equal to the increased liability of the teachers' retirement system by virtue of such additional service credit. Such payments shall not be picked up, as described in KRS 161.540*(2)*[~~(4)~~].

(2) The amount paid under this section shall be considered as accumulated contributions of the individual member.

(3) No person shall be allowed credit for the same period of service in more than one (1) of these three (3) retirement systems.

Section 21. KRS 161.620 is amended to read as follows:

(1) The retirement allowance, in the form of a life annuity with refundable balance, of a member retiring for service shall be calculated as follows:

(a) For retirements effective July 1, 1980, and thereafter, the annual allowance for each year of service performed prior to July 1, 1941, shall be one hundred dollars ($100) and the annual allowance for each year of service performed after July 1, 1941, shall be two percent (2%) of the final average salary. Actuarial discounts due to age or service credit at retirement may be applied as provided in this section.

(b) For retirements effective January 1, 1984, and thereafter the annual allowance shall be determined as set out in subsection (1)(a) of this section, except that the allowance for service performed after January 1, 1984, shall be valued at the annual rate of two and one-half percent (2 1/2%) of the final average salary for all members not employed by a state university or college. For purposes of implementing the change in the value of a year of service, the board of trustees shall establish by regulation, the value of services performed during the 1983-84 fiscal year but in no case shall the value of service performed during the 1983-84 fiscal year exceed two and one quarter percent (2.25%).

(c) If the member has five (5) years or more of Kentucky service, but less than thirty (30) years of such service credit, the allowance shall be reduced actuarially for the number of years the member is less than sixty (60) years of age or by the number of years the service credit is less than thirty (30) years, whichever is the lesser number. The board of trustees shall adopt an actuarial table of discounts for the purpose of calculating these allowances.

(2) Effective July 1, 1980, and annually on July 1 thereafter, the retirement allowance of each retired member and of each beneficiary of a retirement option *who has been retired at least ten (10) months* shall be increased in the amount of one percent (1%).

(3) Any member qualifying for retirement under a life annuity with refundable balance shall be entitled to receive an annual allowance amounting to not less than eighty-eight dollars ($88) multiplied by the service credit years of the teacher, except that no retired teacher who was sixty (60) years of age or older at retirement, and who has five (5) years or more service credit in a position covered by the teachers' retirement system shall receive a monthly benefit of less than seventy-five dollars ($75). The above minimums shall be effective July 1, 1978, and shall apply to those members retiring on or subsequent to that date.

(4) The minimum provided in this section shall apply in the case of teachers retired or retiring under an option other than a life annuity with refundable balance in the same proportion to the benefits of the teacher and his beneficiary or beneficiaries as provided in the duly adopted option tables at the time of the member's retirement.

(5) Effective July 1, *1984* [~~1982~~], the monthly allowance of each member retired on or before July 1, *1983* [~~1981~~], and each recipient of a retirement option of such retired members shall be increased in the amount of *three percent (3%)* [~~one percent (1%)~~] of the monthly allowance [~~for each year the member has been retired up to a maximum of five (5) years~~]. The percentage increases shall be based on an assumed maximum allowance of one thousand dollars ($1,000) per month of annuity in effect the previous month.

(6) Effective July 1, *1985* [~~1983~~], the monthly allowance of each member retired on or before July 1, *1984* [~~1982~~], and each recipient of a retirement option of such retired member shall be increased in the amount of *three percent (3%)* [~~one percent (1%)~~] of the monthly allowance [~~for each year the member had been retired up to a maximum of five (5) years~~]. The percentage increases shall be based on an assumed maximum allowance of one thousand dollars ($1,000) per month of annuity in effect the previous month.

(7) Effective July 1, 1980, monthly payments of two hundred dollars ($200) shall be payable for the benefit of an adult child of a member retired for service when the child's mental condition is sufficient to cause dependency on the member at the time of retirement. Eligibility for this payment shall continue for the life of such child or until such time as the mental condition creating the dependency no longer exists. Benefits under this subsection shall not apply to adopted children. The board of trustees shall be the sole judge of eligibility or dependency and may require formal application or information relating thereto.

(8) The cost of providing the statutory cost-of-living increases for retired members during 1980-82, [~~and~~] 1982-84, *and 1984-86* shall be funded by annual appropriations from the state on an amortized basis over the lifetime of the recipients. When the earnings on investments of the retired teacher savings exceeds the actuarial assumed rate of interest, the board of trustees may allocate such excess earnings toward the funding of the amortized payments required during the 1982-84 *and 1984-86 bienniums* [~~biennium~~] for the cost-of-living increases approved under subsections (5) and (6) of this section.

Section 22. KRS 161.675 is amended to read as follows:

(1) The board of trustees is empowered to enter into contracts with insurance carriers for the purpose of providing a broad program of hospital and medical insurance coverage to members retired for service or disability. Coverage may be extended to the spouses and minor children of said retired members, provided the member began participating in the teachers' retirement system prior to July 1, 1978. Coverage may also be extended to spouses and to minor children of members in active contributing status who are deceased prior to retirement if the surviving spouse is eligible to receive the member's retirement benefit as provided in KRS 161.525 and elects to do so.

(2) The coverage provided shall be as set forth in the contracts and the regulations of the board of trustees. *The board of trustees may change the levels of coverage to meet the changing needs of the annuitants and when necessary to contain the expenses of the insurance program within the funds available to finance the insurance program.* The contracts and regulations shall provide for, but not be limited to, hospital room and board, surgical procedures, doctors' care in the hospital and miscellaneous hospital costs. A retiree whose effective date of retirement is July 1, 1974, and thereafter, must have a minimum of five (5) years creditable Kentucky service in the teachers' retirement system or of combined service in the Kentucky employes retirement system, of which at least two (2) years was creditable service under KRS 161.510 and 161.607(2), to qualify for such coverage.

(3) *The board of trustees is empowered to require the annuitant and the annuitant's spouse to pay a premium charge to assist in the financing of the insurance program. Such charges may be flat standard amounts or based upon the amount of the annuity allowance payments or a combination of these provisions.* The board of trustees is empowered to pay premiums for insurance coverage from the hospital and medical insurance fund *and from the premium charges received from the annuitants and the spouses.* It may provide such insurance coverage as is deemed desirable by making payment to institutions and individuals for services performed, or the board of trustees may elect to provide such insurance protection on a "self-insurance" basis *or a combination of these provisions.*

(4) Contracts negotiated may include the provision that a stated amount of hospital cost or period of hospitalization shall incur no obligation on the part of the insurance carrier or the retirement system.

(5) The board of trustees is empowered to adopt such rules and regulations as are necessary to assure efficient operation of the hospital and medical insurance program.

(6) Premiums paid for hospital and medical insurance coverage procured under authority of this section shall be exempt from any premium tax which might otherwise be required under KRS Chapter 136. The payment of premiums by the insurance fund shall not constitute taxable income to an insured recipient.

SECTION 23. A NEW SECTION OF KRS CHAPTER 161 IS CREATED TO READ AS FOLLOWS:

In the event that federal laws are in conflict with the Kentucky Revised Statutes pertaining to the teachers' retirement system, federal laws shall take precedence. When necessary to comply with federal laws, the board of trustees may defer or stop payments of allowances until the conflict is resolved. The board of trustees shall adopt such regulations as are necessary to remove any conflicts with federal laws and to protect the interests of the members, survivors of members and the system.

Section 24. Whereas, retirement annuity adjustments are implemented at the beginning of a fiscal year, an emergency is declared to exist and the provisions of this Act shall become effective July 1, 1984.

SB 26, AN ACT relating to testing pupils in the public schools.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 158.700 is amended to read as follows:

The department shall assume the following functions in implementing the educational improvement act:

(1) The department shall purchase or cause to be developed tests appropriate to the Commonwealth of Kentucky for measuring student progress and achievement in the basic skills in grades 3, 5, 7 and 10. These tests shall be reviewed for appropriateness and shall be modified or revised as is necessary;[~~.~~]

(2) The department shall purchase or cause to be developed tests appropriate to 3rd, 5th, 7th, and 10th grade students in Kentucky for measuring proficiency in other product goal areas as determined by the state board of education upon recommendation of the superintendent of public instruction. These tests shall be reviewed for appropriateness and shall be modified or revised as is necessary;[~~.~~]

(3) The department shall cause to be administered annually, all tests specified in subsections (1) and (2) of this section to all students in grades 3, 5, 7 and 10 in all of the public schools of the state. *The department shall allow local school districts to exempt exceptional children, as defined in KRS 157.200, for whom the tests specified in subsections (1) and (2) of this section are determined inappropriate because of the nature and severity of the handicapping condition if reommended by the admissions and release committee;*

(4) The department shall score or cause to be scored all tests specified in subsections (1) and (2) of this section, compile results for each local school district, and return these results to the appropriate district by August 1 of each year;

(5) The department shall, upon the request of a local school district, provide assistance in interpreting test results;

(6) The department shall, upon request of a local school district, provide technical assistance in the area of program development;

(7) The department shall review and approve local plans for educational improvement consistent with guidelines approved by the state board of education; and

(8) The department of education shall annually review both state process and product goals and modify when appropriate.

The Committee Amendment No. 1 to **SB 26** is as follows:

Amend printed copy of **SB 26**, page 2, line 6 and 7, by deleting "*if recommended by the admissions and release committee*" and inserting the following in lieu thereof:

"*according to guidelines established by the department of education*"

SB 27, AN ACT relating to displaced homemakers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 195.130 is amended to read as follows:

As used in KRS 195.120 to 195.140 unless the context otherwise requires, "displaced homemaker" means an individual who:

(1) [~~Is forty (40) years of age or older;~~

~~(2)~~] Has worked in the home for *at least two (2)* [~~a substantial number of~~] years *as a spouse or parent* providing unpaid household services for family members;

(2)[~~(3)~~] Is not gainfully employed;

(3)[~~(4)~~] Has had or reasonably is expected to have difficulty in securing employment; and

(4)[~~(5)~~] Has been dependent on the income of another family member, but is no longer supported by such income, or has been dependent on government assistance, but is no longer eligible for such assistance, or is supported by benefits of the aid to families with dependent children program as provided in KRS Chapter 205, or *if divorced and the recipient of* spousal support but whose children are within two (2) years of reaching the age of majority.

Section 2. Whereas displaced homemakers in dire need of assistance and educational preparation are being denied the benefits of displaced homemakers programs because they are not forty (40) years of age, an emergency is declared to exist, and this Act will become effective upon its passage and approval by the Governor.

SB 259, AN ACT relating to public school foundation program funds.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 157.420 is amended to read as follows:

Public school foundation program funds made available to the credit of each district during any year, shall be received, held and expended by the district board, subject to the provisions of law and Kentucky administrative regulations of the state board of education. The following restrictions shall govern the expenditure of funds from the public school foundation program fund:

(1) The teachers' salaries allotment for each district from the public school foundation program fund and from local sources shall be used only for teachers holding properly authorized certificates. The average salary paid any rank of teachers shall be at least equivalent to the amount set forth in the biennial budget schedule for each rank and experience for a term of one hundred eighty-five (185) days and no teacher shall be paid less than ninety-three percent (93%) of the public school foundation program fund allotment for that rank for full-time service during the regular school year or the allotment under KRS 157.390(2) shall be reduced by an amount equal to the amount by which the district failed to meet the salary requirements.

(2) The state board of education shall not approve any working budget or salary schedule summary for local boards of education for any school year in which the total amount for one hundred eighty-five (185) days on the salary schedule summary for foundation program instructional salaries is not equal to*:*

(a) The amount for one hundred eighty-five (185) days on the district's salary schedule summary for foundation program instructional salaries the preceding year*;* plus

(b) The additional amount for instructional salaries to be received by the district under the biennial budget schedule for a one hundred eighty-five (185) day school term by assuming the same classroom units and rank and experience of teachers in the current year as in the preceding year.

(3) The capital outlay allotment for each district from the public school foundation program fund and from local sources shall be kept in a separate fund and may be used by the district only for capital outlay projects approved by the superintendent of public instruction in accordance with requirements of law, and based on a survey made in accordance with Kentucky administrative regulations of the state board of education. These funds shall be used for the following capital outlay purposes:

(a) For direct payment of construction costs;

(b) For debt service on voted and funding bonds;

(c) For payment or lease-rental agreements under which the board eventually will acquire ownership of a school plant;

(d) For the retirement of any deficit resulting from over-expenditure for capital construction, if such deficit resulted from an emergency declared by the state board of education under KRS 160.550;

(e) As a reserve fund for the above-named purposes, to be carried forward in ensuing budgets; provided, however, if any district has a special levy for capital outlay or debt service that is equal to the capital outlay allotment or a proportionate fraction thereof, and spends the proceeds of that levy for the above-named purposes, the superintendent of public instruction under Kentucky administrative regulations of the state board of education, may authorize the district to use all or a proportionate fraction of its capital outlay allotment for current expenses.

(4) If a survey shows that a school district has no capital outlay needs as shown in paragraphs (a), (b), (c), and (d) of subsection (3) of this section, upon approval of the superintendent of public instruction, these

funds may be used for school plant maintenance, repair, insurance on buildings, replacement of equipment, [~~and~~] purchase of school buses *and the purchase of modern technological equipment, including telecommunications hardware, televisions, computers and other technological hardware to be utilized for educational purposes only.*

SB 292, AN ACT relating to textbooks.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 156.400 is amended to read as follows:

(1) The superintendent of public instruction shall arrange the elementary and secondary school subjects included in the state courses of study as prescribed by the state board of education into six (6) adoption groups, *except subjects with rapidly changing or highly technical content may be excluded from the grouping process.* The six (6) adoption groups shall be arranged as nearly equal in number and purchase cost as possible.

(2) Contracts for each of the six (6) adoption groups shall be for a period of six (6) years and shall be executed on a staggered basis, with one group being up for adoption each year, except when an adoption has been delayed, as set forth in subsection (3) of this section. The superintendent of public instruction may call for contracts for less than six (6) years or negotiate extensions of existing contracts for individual subjects to arrange proper subject groupings and adoption group size.

(3) The superintendent of public instruction may delay a scheduled adoption [~~one (1) year~~] and negotiate appropriate extensions of existing contracts *for textbooks with relevant content or when necessary because of insufficient funding* [~~when such is deemed advisable or necessary because of the amount of appropriated funds with which to purchase textbooks during any given fiscal year~~].

Calendar

SB 256, HB 60, HB 864, HJR 74, SB 190, SB 283, SB 327, HB 768, HB 874, HB 883, SB 87, SB 232, SB 249, SB 277, HB 736, HB 917, HB 134, HB 382, HB 464, HB 525, HB 622, HB 709, HB 842, HB 851, HB 925, HB 965, HCR 86, HCR 110, HB 636, HB 688, HB 926, SB 4, SB 194, SB 201, SB 229, SB 233, SB 293, HB 635, HB 659, SB 210, and **HR 114** taken from the Calendar and ordered read at length for the second time. Representative LeMaster moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Representative LeMaster moved that the rules be suspended to act upon a Legislative Citation. Agreed.

Representative Patrick moved the adoption of the Legislative Citation No. 107. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Roger Marcum, for your steadfast performance and wholehearted devotion to the Gifted and Talented Program at the Corbin Middle School, Corbin, Kentucky. As the coordinator and teacher, you unceasingly have worked to build a solid foundation for exceptional opportunities to the youth involved in the program. Due to your superb leadership, the State Department of Education accrediting team rated your program excellent. The State was impressed with the fact that it offers up to thirty selections of class subjects, the specialized field trips the students participate in and that the program is held on a volunteer basis with the classes taking place after school hours. We are very proud of you; your dedication, perseverance and noble example have proven very rewarding during your nine years as an educator. You have shared generously of your knowledge, time, resources and experiences, thus influencing and inspiring the lives of thousands of young people, for which we are sincerely grateful.

This prestigious body salutes you as you have bestowed great pride and honor upon your school, community and the Commonwealth of Kentucky. (Sponsored by Representative Patrick)

Representative LeMaster moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Kenton moved the adoption of the following **HR 130:**

HR 130, A RESOLUTION honoring Southern Junior High School for winning the 1984 state Math

Bowl competition.

WHEREAS, on Friday, March 3, 1984, the Southern Junior High School of Lexington, Kentucky, swept a field of 12 junior high schools to capture first place in the 1984 state Math Bowl competition; and

WHEREAS, this annual competition sponsored by the Kentucky Council of Teachers of Mathematics is geared toward sparking the interest of young scholars in mathematical skills; and

WHEREAS, victory in this competition can only be achieved through countless hours of hard work and immeasurable dedication to the study of mathematical skills and principles; and

WHEREAS, the 1984 Math Bowl competition can be seen across the state as it will be shown on all KET affiliates at 2 p.m., Friday, April 27, 1984;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives recognizes Southern Junior High School of Lexington, Kentucky, for its victory in the 1984 state Math Bowl competition and commends the scholarly dedication of the students and innovative instruction of the team's coach.

Section 2. That the House of Representatives honors the Southern Junior High Math Bowl team members: Andy Wiegand, Mike Adams, Billy Jameson, Blaine Ott, Jeanie Krouse, Conley Wake, Nancy Gift, and Mike Clark, and hails the laudable work of their coach and mathematics instructor at Southern Junior High School, Mr. Tom Mowery.

Section 3. That the House of Representatives directs its clerk to send a copy of this resolution to each team member and their coach, in care of Southern Junior High School, Lexington, Kentucky.

HR 130 was adopted by voice vote.

Orders of the Day

HB 591, with Committee Amendment and Floor Amendment attached thereto, taken from the Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative T. Jones moved the adoption of the Committee Amendment No. 1 to **HB 591**. Agreed.

Representative T. Jones moved the adoption of the Floor Amendment No. 1 to **HB 591**. Agreed.

Representative Freibert moved that **HB 591,** as amended, be passed.

On the roll call the vote was yeas 93-Allen, Arnold, Barrows, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Long, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 591, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 591,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 564, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Mann moved the adoption of the Floor Amendment No. 2 to **HB 564.** Agreed.

Representative Mann moved that **HB 564,** as amended, be passed.

On the roll call the vote was yeas 92-Allen, Arnold, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Ford, Freibert, Fryman, Gedling, Gray, Guenthner, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Priddy, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 2-Farrow, Hancock.

HB 564, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 564,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 684, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved the adoption of the Committee Amendment No. 1 to **HB 684.** Agreed.

Representative LeMaster moved the adoption of the Floor Amendment No. 3 to **HB 684.** Agreed.

Representative LeMaster moved that **HB 684,** as amended, be passed.

Representative Burch moved the adoption of the Floor Amendment No. 2 to **HB 684.**

On the roll call the vote was yeas 27-Allen, Bennett, Blandford, Bronger, Burch, P. Clark, Cline, Cyrus, Dawahare, Fryman, Gray, Handy, Hines, Holloway, Kidd, Maggard, Noland, O'Brien, Priddy, Robinson, B. Smith, F. Smith, Thomas, Turner, Van Horn, Williams, Yates. Nays 54-Arnold, Barrows, Bendl, Blevins, Brinkley, Burnette, Caldwell, Clapp, L. Clark, Clarke, Craddock, Crupper, Curd, Deskins, Donnermeyer, Endicott, Farrow, Foster, Freibert, Guenthner, Hancock, Harper, Head, Heleringer, Holbrook, R. Jones, T. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Mann, McBee, McElroy, McNutt, Moberly, Moore, Overstreet, Patrick, Perkins, Rapier, Rattliff, Reinhardt, P. Richardson, Seum, Stone, Stumbo, Thomason, Worthington.

Floor Amendment No. 2 to **HB 684** was rejected.

Representative LeMaster moved that **HB 684,** as amended, be passed.

On the roll call the vote was yeas 62-Arnold, Barrows, Blevins, Brinkley, Bronger, Bruce, Burnette, Caldwell, Clapp, L. Clark, Craddock, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Gray, Guenthner, Harper, Head, Heleringer, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Mann, McBee, McElroy, McNutt, Meyer, Moore, Morris, Overstreet, Patrick, Perkins, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Stone, Stumbo, Thomas, Thomason, Turner, Worthington. Nays 24-Allen, Bendl, Bennett, Blandford, Burch, Clarke, Cline, Dawahare, Ford, Fryman, Hancock, Handy, Hines, Johnson, Maggard, Nett, Noland, O'Brien, Pearman, B. Smith, F. Smith, Van Horn, Williams, Yates.

HB 684, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 684,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 182, HB 194, HB 293, HB 421,** and **HB 568** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the

Speaker. Ordered delivered to the Senate (Time - 3:11 p.m.)

HB 182, HB 194, HB 293, HB 421, and **HB 568** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Representative LeMaster moved that the rules be suspended to act upon a Resolution. Agreed.

Representative McNutt moved the adoption of the following **HR 118:**

HR 118, A RESOLUTION honoring Mrs. Lilija Purins Macs Murphy.

WHEREAS, Lilija Purins Macs Murphy was born a Latvian citizen on October 21, 1910; and

WHEREAS, she witnessed two periods of foreign domination of her country, by Russia and then by Germany; and

WHEREAS, despite the loss of physical freedom, she strove to exercise the freedom of her mind and graduated from the University of Riga with a degree in both nursing and pharmacy; and

WHEREAS, her superior work in military hospitals after World War II won the respect and admiration of military and hospital personnel; and

WHEREAS, in 1956, she became a naturalized citizen of the United States of America and began employment at Good Samaritan Hospital in Lexington, Kentucky; and

WHEREAS, she continued to strive toward expanding her education by enrolling in the University of Kentucky's College of Pharmacy; and

WHEREAS, since moving to the City of Paducah, she has provided that community with immeasurable hours of service; and

WHEREAS, her community service work has won recognition from such organizations as the United States Chamber of Commerce and the American Biographical Institute, and has won for her such titles as Kentucky Colonel, and Paducah's Ambassador; and

WHEREAS, she has spread her deep love for, and devotion to, the United States of America by delivering over 350 speeches on the subject of "Wake Up America," addressed to service clubs, churches, schools, colleges, and radio and television audiences;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives honors the outstanding and laudable service that Mrs. Lilija Purins Macs Murphy has unselfishly given the people of her oppressed country, the sick and infirm, and the citizens of America and of this Commonwealth.

Section 2. That the House of Representatives recognizes Mrs. Murphy for her devotion to the ideals of freedom and her willingness to spread that devotion to all citizens.

HR 118 was adopted by voice vote.

Orders of the Day (continued)

HB 807, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Johnson moved that **HB 807** be passed.

Representative Robinson moved the adoption of the Floor Amendment No. 1 to **HB 807.** Agreed.

Representative Johnson moved that **HB 807,** as amended, be passed.

On the roll call the vote was yeas 77-Allen, Arnold, Barrows, Blandford, Blevins, Brinkley, Bronger, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Gedling, Gray, Hancock, Handy, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, Kidd, Layman, Lefevers, Lile, Little, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Patrick, Pearman, Perkins, Priddy, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, White, Worthington, Yates. Nays 5-Bennett, Mann, Rapier, Van Horn, Williams.

HB 807, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 806,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 738, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Bronger moved the adoption of the Floor Amendment No. 3 to **HB 738.**

On the roll call the vote was yeas 61-Allen, Arnold, Bendl, Bennett, Blevins, Brinkley, Bronger, Caldwell, L. Clark, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Gedling, Gray, Head, Johnson, T. Jones, Kidd, Layman, Lefevers, Little, Maggard, McElroy, McNutt, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Richards, Riner, Robinson, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Yates. Nays 15-Burch, Clarke, Freibert, Handy, Heleringer, Holbrook, Holloway, R. Jones, LeMaster, List, Long, Mann, McBee, F. Smith, Worthington.

Floor Amendment No. 3 to **HB 738** was adopted.

Representative Bronger moved the adoption of the Floor Amendment No. 2 to **HB 738.** Agreed.

Representative Bronger moved that **HB 738,** as amended, be passed.

On the roll call the vote was yeas 43-Bendl, Bennett, Blevins, Brinkley, Bronger, Caldwell, L. Clark, P. Clark, Cowan, Dawahare, Donnermeyer, Dunn, Ford, Foster, Hancock, Harper, Heleringer, Hines, T. Jones, Kidd, List, Maggard, Mann, McBee, McElroy, Morris, Nett, O'Brien, Overstreet, Perkins, Priddy, Rapier, Rattliff, Reinhardt, B. Richardson, P. Richardson, Stone, Stumbo, Thomas, Thomason, Van Horn, Williams, Yates. Nays 35-Allen, Arnold, Burch, Clarke, Craddock, Crupper, Curd, Cyrus, Deskins, Ellington, Farrow, Freibert, Fryman, Gedling, Gray, Holbrook, Holloway, R. Jones, Layman, Lefevers, Little, Long, McNutt, Moberly, Moore, Noe, Noland, Patrick, Pearman, Richards, Robinson, F. Smith, Todd, White, Worthington.

HB 738, as amended, was passed and the title agreed to.

Representative Bronger moved that the vote by which **HB 738,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 742, with Committee Substitute and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Thomason moved the adoption of the Committee Substitute to **HB 742.** Agreed.

Representative Thomason moved that **HB 742,** by way of Committee Substitute, be passed.

Representative Barrows moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **HB 742.** Rejected.

Representative Thomason moved that **HB 742,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 40-Blandford, Blevins, Brinkley, Bronger, Bruce, Burnette, Cowan, Curd, Dawahare, Dunn, Endicott, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Harper, Holbrook, Holloway, Johnson, R. Jones, Lefevers, List, Maggard, McElroy, Morris, Noland, Patrick, Pearman, Richards, B. Richardson, Robinson, B. Smith, Stumbo, Thomason, Turner, White, Worthington. Nays 40-Arnold, Barrows, Bendl, Bennett, Brown, Burch, L. Clark, P. Clark, Clarke, Crupper, Cyrus, Deskins, Donnermeyer, Ellington, Farrow, Head, Heleringer, T. Jones, Kenton, Layman, LeMaster, Lile, Little, Long, McBee, McNutt, Moberly, Moore, Nett, Noe, Priddy, Rapier, Rattliff, P. Richardson, Riner, Seum, F. Smith, Todd, Van Horn, Yates.

HB 742, by way of Committee Substitute, was defeated.

HB 701 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Thomas moved that **HB 701** be passed.

On the roll call the vote was yeas 46-Arnold, Bennett, Blandford, Brown, Bruce, Burch, L. Clark, Cline, Craddock, Cyrus, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Ford, Foster, Fryman, Gedling, Johnson, T. Jones, Kidd, Layman, Little, Lundergan, Mann, McBee, McElroy, Moore, Morris, Noland, Overstreet, Patrick, Perkins, Priddy, Reinhardt, B. Richardson, Riner, Robinson, Seum, Stone, Thomas, Thomason, Todd, Turner, Van Horn. Nays 26-Brinkley, Burnette, Caldwell, P. Clark, Clarke, Cowan, Crupper, Curd, Farrow, Freibert, Hancock, Harper, Head, R. Jones, LeMaster, List, Long, McNutt, Moberly, Nett, Rapier, Richards, P. Richardson, B. Smith, F. Smith, Worthington.

HB 701 was passed and the title agreed to.

Representative Thomas moved that the vote by which **HB 701** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 141, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Williams moved the adoption of the Committee Amendment No. 1 to **SB 141**. Agreed.

Representative Williams moved that **SB 141**, as amended, be passed.

On the roll call the vote was yeas 76-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Foster, Freibert, Gedling, Gray, Hancock, Handy, Harper, Head, Hines, Johnson, T. Jones, Kenton, Kidd, Lile, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, Moberly, Moore, Morris, Nett, Noe, Noland, Overstreet, Patrick, Pearman, Perkins, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomason, Van Horn, White, Williams, Worthington, Yates. Nays 3-Ellington, Fryman, McNutt.

SB 141, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 141**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 473, with Committee Substitute and Floor Title Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Gray moved the adoption of the Committee Substitute to **HB 473**. Agreed.

Representative Gray moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **HB 473**. Agreed.

Representative Gray moved that **HB 473**, by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 70-Arnold, Barrows, Bendl, Bennett, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Foster, Freibert, Gray, Handy, Harper, Head, Hines, Holbrook, Johnson, T. Jones, Kenton, Kidd, LeMaster, Lile, Little, Lundergan, Maggard, Mann, McBee, McElroy, Moberly, Moore, Morris, Nett, Noe, Noland, Overstreet, Pearman, Priddy, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Worthington, Yates. Nays 16-Crupper, Farrow, Ford, Guenthner, Hancock, R. Jones, Layman, Long, McNutt, Patrick, Rapier, Rattliff, Robinson, B. Smith, Todd, Turner.

HB 473, by way of Committee Substitute as amended, was passed.

Representative Gray moved the adoption of the Floor Title Amendment to **HB 473**. Agreed.

Representative LeMaster moved that the vote by which **HB 473**, by way of Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 868 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Perkins moved that **HB 868** be passed.

On the roll call the vote was yeas 89-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Morris, Nett, Noe, Noland, Overstreet, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, White, Williams, Worthington, Yates. Nays 4-Allen, Fryman, Patrick, Turner.

HB 868 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 868** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 886 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Arnold moved that **HB 886** be passed.

On the roll call the vote was yeas 92-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, Overstreet, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 886 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 886** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 860, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative List moved the adoption of the Committee Amendment No. 1 to **HB 860**. Agreed.

Representative List moved that **HB 860**, as amended, be passed.

Representative Morris moved the adoption of the Floor Amendment No. 1 to **HB 860**.

Representative Clarke moved that Floor Amendment No. 1 to **HB 860** be laid on the Clerk's desk.

On the roll call the vote was yeas 20-Barrows, Bendl, L. Clark, Clarke, Crupper, Donnermeyer, Farrow, Foster, Hancock, Johnson, T. Jones, LeMaster, Long, Moberly, Nett, O'Brien, Seum, F. Smith, Van Horn, Williams. Nays 52-Allen, Arnold, Bennett, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, Cline, Craddock, Curd, Cyrus, Deskins, Ellington, Endicott, Fryman, Gedling, Gray, Harper, Head, Holbrook, Holloway, Kenton, Kidd, Layman, Lefevers, Lile, List, Lundergan, Maggard, McElroy, McNutt, Morris, Noe, Noland, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Robinson, Stone, Stumbo, Thomason, White, Yates.

The motion that Floor Amendment No. 1 to **HB 860** be laid on the Clerk's desk was rejected.

On the roll call the vote was yeas 61-Allen, Arnold, Blevins, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Clapp, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Dunn, Ellington, Endicott, Ford, Foster, Fryman, Gedling, Gray, Guenthner, Harper, Head, Holbrook, Holloway, Kenton, Layman, Lefevers, Lile, Little, Lundergan, Maggard, McElroy, McNutt, Moberly, Morris, Noe, Noland, Overstreet, Patrick, Pearman, Perkins, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, Stone, Stumbo, Thomas, Thomason, White, Yates. Nays 22-Barrows, Bendl, Bennett, L. Clark, Clarke, Donnermeyer, Farrow, Hancock, Heleringer, Johnson, T. Jones, LeMaster, Long, Mann, Nett, O'Brien, Riner, Seum, F. Smith, Van Horn, Williams, Worthington.

Floor Amendment No. 1 to **HB 860** was adopted.

Representative List moved that **HB 860,** as amended, be passed.

Representative Long moved that **HB 860,** as amended, be laid on the Clerk's desk.

On the roll call the vote was yeas 17-Barrows, Bendl, Clarke, Crupper, Donnermeyer, Farrow, Foster, Hancock, Johnson, R. Jones, T. Jones, Long, Mann, Nett, F. Smith, Van Horn, Worthington. Nays 65-Allen, Bennett, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, Cline, Cowan, Craddock, Curd, Cyrus, Dawahare, Deskins, Dunn, Ellington, Endicott, Ford, Fryman, Gedling, Gray, Guenthner, Handy, Harper, Head, Heleringer, Holbrook, Holloway, Kidd, Layman, Lefevers, List, Little, Lundergan, Maggard, McBee, McElroy, McNutt, Moberly, Morris, Noe, Noland, Overstreet, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Robinson, B. Smith, Stone, Stumbo, Thomason, Turner, White, Yates.

The motion that **HB 860,** as amended, be laid on the Clerk's desk was rejected.

Representative F. Smith moved that a fiscal note be required before passage of **HB 860.**

On the roll call the vote was yeas 42-Arnold, Barrows, Bendl, Bennett, Blandford, Burch, Caldwell, P. Clark, Clarke, Cowan, Crupper, Dawahare, Donnermeyer, Dunn, Ellington, Farrow, Ford, Foster, Freibert, Hancock, Handy, Harper, Heleringer, Hines, Johnson, R. Jones, T. Jones, LeMaster, Lile, Long, Mann, Moberly, Nett, Noe, O'Brien, Reinhardt, Riner, Seum, F. Smith, Van Horn, Williams, Worthington. Nays 47-Allen, Blevins, Brinkley, Bronger, Brown, Bruce, Burnette, Clapp, L. Clark, Cline, Craddock, Curd, Cyrus, Deskins, Endicott, Fryman, Gedling, Gray, Guenthner, Head, Holbrook, Holloway, Kidd, Layman, Lefevers, Lundergan, Maggard, McBee, McElroy, McNutt, Morris, Noland, Overstreet, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, P. Richardson, Robinson, Stone, Stumbo, Thomason, Turner, White, Yates.

The motion that a fiscal note be required before passage of **HB 860** was rejected.

Representative List moved that **HB 860,** as amended, be passed.

On the roll call the vote was yeas 71-Allen, Arnold, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Deskins, Dunn, Ellington, Endicott, Ford, Freibert, Fryman, Gedling, Gray, Guenthner, Handy, Harper, Head, Heleringer, Holbrook, Holloway, Kenton, Kidd, Layman, Lefevers, Lile, List, Lundergan, Maggard, McBee, McElroy, McNutt, Moberly, Morris, Noe, Noland, Overstreet, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Rcihardson, Robinson, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, White, Yates. Nays 21-Bendl, Bennett, Blandford, Clarke, Dawahare, Donnermeyer, Farrow, Hancock, Hines, Johnson, T. Jones, Long, Mann, Nett, O'Brien, Riner, Seum, F.

Smith, Van Horn, Williams, Worthington.

HB 860, as amended, was passed.

Representative Morris moved the adoption of the Title Amendment to **HB 860,** as amended. Agreed.

Representative LeMaster moved that the vote by which **HB 860,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 895, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Noland moved the adoption of the Committee Amendment No. 1 to **HB 895.** Agreed.

Representative Noland moved that **HB 895,** as amended, be passed.

On the roll call the vote was yeas 92-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington. Nays 0.

HB 895, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 895,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 710, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Gray moved the adoption of the Committee Amendment No. 1 to **HB 710.** Agreed.

Representative Gray moved that **HB 710,** as amended, be passed.

On the roll call the vote was yeas 84-Allen, Arnold, Barrows, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Gedling, Gray, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, Kidd, Layman, Lefevers, LeMaster, Lile, List, Long, Maggard, Mann, McBee, McElroy, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 1-Heleringer.

HB 710, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 710,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Motions, Petitions, and Communications

The following meetings were announced:

Committee on Appropriations and Revenue: Friday, 8 a.m., Room 109.

Committee on State Government: Special meeting, Friday, 9 a.m., Room 110.

Representative Yates moved that he be recorded as voting "yea" on **HB 895**. Agreed.

Representative Cline moved that the rules be suspended to allow all properly filed co-sponsor requests to be approved. Agreed.

The following members requested that their names be added as co-sponsors of Bills and Resolutions: Representative Caldwell, **HR 115**; Representative Lile, **HB 591**, **HB 895**; Representative Robinson, **HR 115**; Representative Seum, **HB 486**; Representative Todd, **HB 856**, **HB 968**.

The following members requested that their names be withdrawn as co-sponsors of Bills: Representative Bendl, **HB 684**; Representative B. Smith, **HB 985**, **HB 810**.

Representative Burnette moved that the rules be suspended to take a call of the roll to show co-sponsors of **HR 115**. Agreed.

The following members requested that their names be added as Co-Sponsors of **HR 115**: Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bruce, Burch, L. Clark, P. Clark, Clarke, Cline, Cowan, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Gedling, Gray, Hancock, Harper, Head, Hines, Holloway, Johnson, R. Jones, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moore, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates.

Representative Burnette moved the adoption of the following **HR 115**:

HR 115, A RESOLUTION declaring Thursday, March 15, 1984, to be "Fred Morgan Day" in the House of Representatives and adjourning in honor thereof.

WHEREAS, a native of Paducah, Fred Morgan was a successful insurance and real estate agent; and

WHEREAS, Fred Morgan was a past president of the Paducah Kiwanis Club and the Loyal Order of Moose; and

WHEREAS, always a dedicated public servant, Fred Morgan graciously served the citizens of Paducah as their city manager for short terms during 1952, 1954 and 1964; and

WHEREAS, a distinguished statesman and renowned politician, Fred Morgan labored long and hard to represent his constituents of the third state representative district from 1946 until 1958, 1960 until 1970 and again from 1972 until 1976; and

WHEREAS, the "Gentleman from McCracken" was chairman of the prestigious and powerful House State Government Committee for six terms; and

WHEREAS, known for his integrity and strong leadership abilities, Fred Morgan guided his fellow legislators as the House Majority Floor Leader in the 1956 and 1968 legislative sessions; and

WHEREAS, the members of this honorable body were greatly saddened to have to fill the void left by Fred Morgan's resignation in 1976 when he accepted an appointment to the Crime Victim's Compensation Board;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House proudly hails its former colleague and lifetime friend, the "Gentleman from McCracken", Fred Morgan.

Section 2. That this honorable body proclaims Thursday, March 15, 1984, to be "Fred Morgan Day" in the House of Representatives and extends to him the privilege of the House floor.

Section 3. That when the House does adjourn this day, Thursday, March 15, 1984, it does so in honor of our brother Fred Morgan.

Section 4. That the Clerk of the House is directed to transmit a copy of this resolution to Fred Morgan.

HR 115 was adopted by voice vote.

Representative Worthington moved that the rules be suspended to introduce and act upon a

Resolution. Agreed.

HR 132, by Representative Worthington: A RESOLUTION honoring the great frontiersman, Simon Kenton, and the 200 year anniversary of his discovery of Limestone, Kentucky.

Representative Worthington moved the adoption of the following **HR 132:**

HR 132, A RESOLUTION honoring the great frontiersman, Simon Kenton, and the 200 year anniversary of his discovery of Limestone, Kentucky.

WHEREAS, 1984 represents the 200 year anniversary of the discovery of the City of Limestone, Kentucky, now known as Maysville; and

WHEREAS, Limestone was the first riverport entrance into the state of Kentucky, and holds an historical significance for the state equaled only by the Cumberland Gap; and

WHEREAS, Limestone's contribution to this Commonwealth in the past and present represents all that has made this state as great as it is today; and

WHEREAS, the great Kentucky pioneer and frontiersman, Simon Kenton, discovered the City of Limestone and its port, and performed an untold number of similar deeds of bravery and foresight; and

WHEREAS, Simon Kenton played a key role in the early development of Kentucky as an early surveyor of the dense wilderness that was to become our state; and

WHEREAS, he was instrumental in the early social, political, and cultural development of this state, and was one of Kentucky's first great citizens;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives recognizes the 200 years of growth and prosperity of Limestone, Kentucky, now known as the City of Maysville.

Section 2. That the House of Representatives hails the outstanding contributions that Simon Kenton, Kentucky frontiersman and visionary, achieved for this great Commonwealth.

Section 3. That this honorable body urges the United States Postal Service to recognize the superlative accomplishments of the fine Kentuckian, Simon Kenton, by issuing a commemorative postal stamp in his honor.

HR 132 was adopted by voice vote.

Representative Ellington moved the adoption of the following Legislative Citation No. 108. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates you, Sherri L. Patray, the lovely daughter of Mr. and Mrs. Ronald Patray of Lexington, Kentucky, for recently being named the 1984 "Outstanding Young Kentuckian" by the Lexington Jaycees. Your perfect 4.0 grade point average while a student at Lexington Christian High School, Valedictorian of your class, Cheerleader, Annual staff, the Beta Club, and the Student Council is exemplary of your exceptional leadership abilities. Being named to Who's Who Among American High School students is especially noteworthy. Your dedication to your community is most evident by your volunteer work and the Red Cross, the Headstart Program, Candystriper, High Street Daycare Center, and the Emergency Room at St. Joseph Hospital. Working in political campaigns, as a Page in both the House of Representatives and Senate, and selecting Political Science as your college major shows your political aspirations. Your academic accomplishments are indicative of your goals, as you received several awards and a scholarship. Your standards have brought honor and great pride to your school and community.

We salute and applaud you for this impressive honor and extend our best as you pursue your career ambitions and may college offer you the greatest of challenges in your future endeavors. (Sponsored by Representative Ellington)

Representative Thomason moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Thomason moved the adoption of the following **HR 128:**

HR 128, A RESOLUTION honoring the late Hecht S. Lackey, Sr.

WHEREAS, Hecht S. Lackey, Sr. provided superlative public service to the people of the City of

Henderson while serving as mayor from January 1, 1954 until December 31, 1961; and

WHEREAS, through his immeasurable concern for the educational opportunities for the youth of this Commonwealth, he nurtured the concept of founding a community college in the City of Henderson and played an integral role in its planning and development until its fruition in 1961; and

WHEREAS, Mr. Lackey guided the Henderson Community College through its early development from his position as President of the College Foundation; and

WHEREAS, he was the first appointee and president of the Henderson Community College Advisory Board, a lofty position bestowed upon him by the Governor of this Commonwealth, and a position he held through 1980; and

WHEREAS, he was instrumental in the formation of the Community College Advisory Board, an organization which represents all the community colleges of the Commonwealth, and an organization in which he served as chairman; and

WHEREAS, in demonstration of their great appreciation for Mr. Lackey's years of dedication and limitless service to the Henderson Community College, the college will officially rename the administrative office building on March 19, 1984, to be the Hecht S. Lackey, Sr. Administrative Office Building;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives honors the outstanding service that Mr. Hecht S. Lackey, Sr. has provided the City of Henderson, and the great strides in education that he has fostered in the Commonwealth of Kentucky.

Section 2. That the House of Representatives posthumously recognizes Mr. Lackey for the high commendation of having the Henderson Community College name its administrative office building in his honor.

Section 3. That the House of Representatives recognizes that Mr. Lackey was an ideal citizen, and further recognizes that he provided exemplary representation and leadership in the Commonwealth of Kentucky.

Section 4. That the House of Representatives directs its clerk to send a copy of this resolution to Mrs. Hecht S. Lackey, Sr.

HR 128 was adopted by voice vote.

Representative Hancock moved that his name be withdrawn as a co-sponsor of **HB 684.** Agreed.

Representative LeMaster moved that the rules be suspended for Introduction of a Resolution and Report of Committees. Agreed.

Introduction of Resolution

HCR 131, by Representative Cyrus: A CONCURRENT RESOLUTION designating Soc Clay as a Poet Laureate.

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bills and Resolutions have been posted for Committee consideration:

Education: **SB 185.**

Judiciary-Civil: **HB 501, SB 262, SB 302, SB 305, HB 774.**

State Government: **HB 861, SB 136, SB 145, SB 267.**

Appropriations and Revenue: **HR 7, HB 601, HJR 25.**

Agriculture and Small Business: **HB 989, HR 126.**

Business Organizations and Professions: **HB 790.**

Banking and Insurance: **HB 373, SB 275.**

Report of Committees

The Committee on Natural Resources and Environment reported **HB 522, HB 857, HB 877, HB 888, HB 991, HB 1001, HB 1015, HJR 70, HJR 99, HCR 121, SB 41, SB 152, SB 280,** and **HB 931** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 522, AN ACT relating to oil and gas.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 353 IS CREATED TO READ AS FOLLOWS:

The commissioner shall have the following authority to appoint a special task force to investigate illegal drilling relative to violations of KRS Chapter 353:

(1) A sufficient number of inspectors and support personnel shall be assigned for the purpose of this section. Such inspectors shall be responsible for enforcement of the provisions of KRS Chapter 353 relating to criminal offenses.

(2) To assist with the enforcement of the duties of this section, the department may contract with the Kentucky state police for services of a sufficient number of police officers who possess adequate training and who shall be empowered to arrest any person either violating or in violation of the provisions of KRS Chapter 353 that constitutes criminal offenses.

(3) In addition to penalties prescribed in KRS 353.990 and 353.991, authorized representatives of the special task force for illegal drilling established by this section shall be empowered with the authority to seize and take possession of any equipment being used for the purpose of illegal drilling without a valid permit as required by KRS 353.570. Such authorized representatives shall further be empowered to order any equipment being used for illegal drilling to remain at the site of said illegal drilling.

(4) Upon conviction of any person for violation of drilling without a valid permit as required by KRS 353.570, the court shall order any equipment used in the crime forfeited and sold by sealed bids. Proceeds from such sale shall be deposited in the illegal drilling fund as established in subsection (9) of this section.

(5) All property seized under this section shall be subject to the right of any owner or lienor, whose lien is valid and recorded, to intervene and, upon trial or special hearing held for that purpose before the court, establish his rights in the property by proving that the property was being used in connection with drilling without a permit without the knowledge, consent or approval of the owner or lienor. If the owner of the property does so prove, the court may order the property restored to him. If the lienor so proves, the court may order a sale of the property by sealed bid with the lienor receiving from such sale the amount of his outstanding lien. However, the department shall deliver any seized property to a lienor whose claim has been established by order of a court of competent jurisdiction upon payment to the department of the difference between the fair market value of the property so seized and the recorded claim of the lienor.

(6) If the defendant is acquitted, all property seized in connection with the arrest of the defendant shall be ordered returned to the rightful owner unless previously returned under subsection (5) of this section.

(7) All expenses associated with the seizure, storing, and if applicable, sale of such property shall be the responsibility of the defendant if he is convicted.

(8) It shall be the duty of all peace officers and other public officers or officials having knowledge of the lawful owner or claimant of property subject to forfeiture to report the same to the court before the act of forfeiture occurs.

(9) There is established a special fund to be known as the "illegal drilling fund" which shall be under the control of the department.

(10) The fund shall consist of all monies from the court ordered sale or forfeiture of said equipment.

(11) Monies contained in the illegal drilling fund shall be deemed a trust and agency account and shall be used solely for the purpose of enforcement of KRS Chapter 353 by the department.

(12) The department shall have access to and control of the monies held in the illegal drilling fund, but shall expend such monies only for the purpose set forth in subsection (11) of this section.

HB 857, AN ACT relating to surface coal mining.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 350.450 is amended to read as follows:

(1) If the area proposed to be mined contains prime farmland as defined in Public Law 95-87, "Surface Mining Control and Reclamation Act of 1977," then no permit shall be issued unless it complies with Section 510(d)(1) therein. Nothing in this subsection shall apply to any permit issued prior to August 3, 1977, or to any revisions or renewals thereof, or to any existing surface coal mining operations for which a permit was issued prior to August 3, 1977. Nothing herein shall be construed as authorizing the cabinet to promulgate regulations more stringent than those promulgated pursuant to PL 95-87 relating to prime farmland.

(2) Where a surface coal mining operation will remove an entire coal seam or seams running through the upper fraction of a mountain, ridge, or hill by removing all of the overburden and creating a level plateau or a gently rolling contour with no highwalls remaining, the operation shall comply with the requirements of paragraphs (c) and (d) of this subsection without regard to the requirements of KRS 350.410 or 350.445(2) and (3) with respect to lands from which overburden and the coal seam being mined have not been removed; provided, however, the cabinet shall establish internal procedures pursuant to which it shall permit surface coal mining operations for the purposes set forth in paragraph (b) of this subsection.

(a) Where an applicant meets the requirements of paragraphs (b) and (c) of this subsection a permit without regard to the requirements to restore to approximate original contour set forth in KRS 350.410 or 350.445(2) and (3) may be granted for the surface coal mining operations where the mining operation will remove an entire coal seam or seams running through the upper fraction of a mountain, ridge, or hill, except as provided in paragraph (c)(1.) of this subsection, by removing all of the overburden and creating a level plateau or a gently rolling contour with no highwalls remaining and capable of supporting postmining uses in accord with the requirements of this subsection.

(b) In cases where an industrial, commercial, agricultural, residential, or public facility (including recreational facilities) use is proposed for the postmining use of the affected land, the cabinet may grant a permit for a surface coal mining operation of the nature described in paragraph (a) of this subsection where:

1. After consultation with the appropriate land use planning agencies, if any, the proposed postmining land use is deemed by the cabinet to constitute an equal or better economic or public use of the affected land as compared with premining use;

2. The applicant presents specific plans for the proposed postmining land use and appropriate assurances that the land use will be:

a. Compatible with adjacent land uses;

b. Obtainable according to data regarding expected need and market;

c. Assured of investment in necessary public facilities;

d. Supported by commitments from public agencies where appropriate;

e. Practicable with respect to private financial capability for completion of the proposed use;

f. Planned pursuant to a schedule attached to the reclamation plan so as to integrate the mining operation and reclamation with the postmining land use; and

g. Designed by a registered engineer in conformance with professional standards established to assure the stability, drainage, and configuration necessary for the intended use of the site;

3. The proposed use would be consistent with adjacent land uses and existing state and local land use plans;

4. The cabinet provides the governing body of the unit of general-purpose government in which the land is located, and any state or federal agency which the cabinet in its discretion determines to have an interest in the proposed use, an opportunity of not more than thirty (30) days to review and comment on the proposed use; and

5. All other requirements of this chapter will be met.

(c) In granting any permit pursuant to this subsection the following requirements apply:

1. The toe of the lowest coal seam and the overburden associated with it are retained in place as a barrier to slides and erosion;

2. The reclaimed area is stable;

3. The resulting plateau or rolling contour drains inward from the outslopes except at specified points;

4. No damage will be done to natural watercourses;

5. Spoil will be placed on the mountaintop bench as is necessary to achieve the planned postmining land use; provided, that all excess spoil material not retained on the mountaintop shall be placed in accordance with the provisions of KRS 350.440; and

6. Insure stability of the spoil retained on the mountaintop and meet the other requirements of this

chapter.

(d) The regulatory authority shall promulgate specific regulations to govern the granting of permits in accord with the provisions of this subsection.

(e) All permits granted under the provisions of this subsection shall be reviewed not more than three (3) years from the date of issuance of the permit, unless the applicant affirmatively demonstrates that the proposed development is proceeding in accordance with the terms of the approved schedule and reclamation plan.

(3) (a) The cabinet shall adopt procedures pursuant to which it may permit variances from the requirements of KRS 350.410 for the purposes set forth in paragraph (c) of this subsection, provided that the watershed control of the area is improved, and further provided, complete backfilling with spoil material shall be required to cover completely the highwall, which material will maintain stability following mining and reclamation.

(b) Where an applicant meets the requirements of paragraphs (c) and (d) of this subsection, a variance from the requirement to restore the approximate original contour set forth in KRS 350.410 and 350.445(2) may be granted for surface coal mining operations where the owner of the surface knowingly requests in writing, as a part of the permit application, that such a variance be granted so as to render the land, after reclamation, suitable for an industrial, commercial, residential, or public use, including recreational facilities.

(c) After consultation with the appropriate land use planning agencies, if any, the potential use of the affected land shall:

1. Be deemed by the cabinet to constitute an equal or better economic or public use;

2. Be designed and certified by a qualified registered professional engineer in conformance with professional standards established to assure the stability, drainage, and configuration necessary for the intended use of the site; and

3. The watershed of the affected land be deemed by the cabinet to be improved.

(d) In granting a variance pursuant to paragraph (b) of this subsection, the cabinet shall require that only such amount of spoil will be placed off the mine bench as is necessary to achieve the planned postmining land use, insure stability of the spoil retained on the bench, meet all other requirements of this chapter, and require all spoil placement off the mine bench to comply with KRS 350.440.

(e) The cabinet shall promulgate specific regulations as it deems necessary, if any, to govern the granting of variances in accord with the provisions of this subsection and may impose such additional requirements as it deems to be necessary.

(f) All exceptions granted under the provisions of this subsection shall be reviewed not more than three (3) years from the date of issuance of the permit, unless the permittee affirmatively demonstrates that the proposed development is proceeding in accordance with the terms of the reclamation plan.

(4) The cabinet shall adopt programs, regulations, and procedures designed to provide technical assistance to assist the small coal operator with the permitting and environmental protection performance standards for surface coal mining operations within the Commonwealth. Such programs shall be directed towards eliminating delays in the processing of permits by establishing a special administrative program to review small operator's permit applications and by establishing a procedure for providing the small operator the technical services of public and private agencies in addition to the services provided pursuant to KRS 350.465(2)(f) necessary for completing the permit application. Specifically, notwithstanding any other provision of this chapter or regulations adopted pursuant thereto, for the purpose of this program, the cabinet shall:

(a) Develop a simplified small operator permit application. The cabinet shall notify all applicants of deficiencies in the form of the application by certified mail within ten (10) working days after the filing in the regional office. The applicant shall have ten (10) working days after the receipt of the notification to repair the deficiencies. Upon failure of the applicant to repair the deficiencies within ten (10) working days after receipt of the notification, the cabinet may return the application as incomplete.

(b) Provide in the abandoned mine land program for small operators, having mined coal under a state permit *at any time within* [~~or license in~~] the previous three (3) years, participation consisting at least of the following:

1. That lands acquired or reclaimed by the state containing coal, coal refuse or other marketable minerals which should be removed in order to maximize the utilization, recoverability or conservation of solid fuel resources or to protect against adverse water quality impacts and which, once reclaimed, cannot be disturbed again by mining, shall be reclaimed by small operators unless the cabinet determines, after advertisement and advance opportunity to bid, that the reclamation project cannot be performed by the small operator bidders;

2. That the cabinet shall establish procedures for maximizing participation by small operators in all reclamation projects including:

a. Designing and establishing project specifications and setting forth in the annual request for federal funding under the state reclamation plan not less than twenty percent (20%) of said projects on cost basis to be performed by small operators;

b. Advance advertising, soliciting, evaluating bids and awarding contracts on all state reclamation projects for small operators.

3. In the event no bids are submitted by small operators for small operator projects, said projects will be thereafter open for public bidding and no longer designated as small operator projects but shall satisfy that portion of the twenty percent (20%) set aside.

(c) For the purposes of this subsection, a small coal operator is one who is anticipated to mine less than two hundred thousand (200,000) tons per year, and the cabinet in determining tonnage for qualification shall consider all production from common ownership of other corporations or operations.

(d) Upon written notification by the small coal operator to the cabinet stating that no more mining will take place under a permit, the cabinet shall release a portion of the bond in accordance with KRS 350.070. In making its determinations pursuant to KRS 350.070 the cabinet shall:

1. Determine the percentage of the permitted acreage in the area of reduction in relation to the initial acreage of the permit;

2. Examine the land which has been disturbed and estimate the cost of reclamation;

3. When the estimated cost of reclamation does not exceed ten thousand dollars ($10,000) then the cabinet shall return all bond money in excess of the ten thousand dollars ($10,000);

4. When the estimated cost of reclamation exceeds ten thousand dollars ($10,000) the cabinet shall retain the amount estimated and shall return all bond money in excess of the estimated amount but in no case shall the cabinet return more than the amount determined by multiplying the percentage determined under paragraph 1. of this subsection times the original total bond amount.

HB 877, AN ACT relating to hazardous waste.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 224.855 is amended to read as follows:

(1) No permit shall be issued until a complete application has been submitted to and approved by the cabinet and notice of the application for a waste disposal site or facility has been published at the expense of the applicant in a manner reasonably calculated to inform that portion of the public which is most likely to be affected by the operation of the proposed waste disposal site or facility. The publication shall take place after the cabinet has made a preliminary determination of the application.

(2) At a minimum, publication shall be made at least once by advertisement in a daily or weekly newspaper of general circulation in the locality where the proposed site is to be located.

(3) The contents of the public notice of an application for a waste disposal site or facility shall include the following:

(a) The name and address of the applicant;

(b) A brief description of the activity for which a permit is being sought;

(c) A description of the proposed location;

(d) The name and address of this cabinet; and

(e) The following statement: "Any person who may be aggrieved by the issuance of a permit for this proposed waste disposal site or facility may file with the cabinet a petition which sets forth the grounds of the objection and demand a hearing pursuant to KRS 224.081(2)." Such hearing shall be held within the county where the waste disposal site or facility is proposed.

(4) No permit shall be issued until at least thirty (30) days have expired following publication of the application. The applicant for a permit must establish the date of publication by a verified affidavit from the newspaper which publishes the advertisement. If a hearing is requested, no permit shall be issued prior to a completed hearing. In the case of hazardous waste *incinerators*, landfills and other sites or facilities for the land disposal of hazardous waste no permit shall be approved or issued prior to notification of the cabinet by the local unit of government of its actions pursuant to subsection (5) of this section.

(5) The fiscal court of the county, urban-county government, or governing body of an incorporated municipality wherein a hazardous waste *incinerator*, landfill or other site or facility for the land disposal of hazardous waste is proposed, shall conduct a public hearing after public notice has been given in accordance with KRS Chapter 424 and shall vote to approve or disapprove the hazardous waste *incinerator*, landfill or other site or facility for the land disposal of hazardous waste within thirty (30) days after the hearing described in subsections (3) and (4) of this section. If no hearing is requested under the provisions of subsections (3) and (4) of this section, the fiscal court, urban-county government, or governing body of an incorporated municipality shall conduct such public hearing and vote to approve or disapprove the hazardous waste *incinerator*, landfill or other site or facility for the land disposal of hazardous waste within sixty (60) days following publication of the application. In making a determination the fiscal court, urban-county

government, or governing body of an incorporated municipality shall consider the social and economic impacts of the proposed hazardous waste *incinerator,* landfill or other site or facility for the land disposal of hazardous waste on the affected community, including changes in property values, community perception and other psychic costs; costs and availability of public services, facilities and improvements required to support the landfill or other site or facility and protect public health, safety and the environment; and the relationship of the proposed hazardous waste *incinerator,* landfill or other site or facility for the land disposal of hazardous waste to local planning and existing development. After a fiscal court or urban-county government or governing body of an incorporated municipality has voted to approve or disapprove a hazardous waste *incinerator,* landfill or other site or facility for the land disposal of hazardous waste, the court, urban-county government, or governing body of an incorporated municipality shall so notify the cabinet in writing within ten (10) days. If a hazardous waste *incinerator,* landfill or other site or facility for the land disposal of hazardous waste is disapproved by the court, urban-county government, or governing body of an incorporated municipality, the reasons for disapproval shall be set forth clearly and concisely, and so recorded in the minutes. No permit shall be issued by the cabinet if a fiscal court, urban-county government or governing body of an incorporated municipality disapproves the hazardous waste *incinerator,* landfill or other site or facility for the land disposal of hazardous waste in the manner prescribed herein.

(6) The provisions of subsection (5) of this section shall not apply to a proposed regional integrated waste treatment and disposal demonstration facility.

Section 2. KRS 224.866 is amended to read as follows:

(1) No person shall engage in the storage, treatment, recycling or disposal of hazardous waste without first obtaining construction and operation permits from the cabinet. The cabinet shall promulgate regulations establishing standards for such permits but in no case shall a permit to construct or operate a hazardous waste disposal facility or a regional integrated waste treatment and disposal demonstration facility be issued unless it can be demonstrated that the proposed facility can be integrated into the surroundings in an environmentally compatible manner, including but not limited to insuring that hydrologic, seismologic, geologic and soil considerations have been adequately addressed in the permit application and in an operational plan. In no case shall a permit to construct a hazardous waste *incinerator,* landfill or other site or facility for the land disposal of hazardous waste be approved or issued prior to notification of the cabinet by the local unit of government of its actions pursuant to KRS 224.855(5), except when the landfill is part of a regional integrated waste treatment and disposal demonstration facility. The cabinet shall not issue a construction permit to a regional integrated waste treatment and disposal demonstration facility until it has been issued a certificate of environmental safety and public necessity. A person desiring a construction permit shall file an application on forms supplied by the cabinet which shall contain such information as the cabinet deems necessary and provide evidence that the hazardous waste shall be treated, stored or disposed of in the manner prescribed by the cabinet. The applicant shall not initiate construction at the proposed site of a new facility for the storage, treatment or disposal of hazardous waste until notice has been given to that portion of the public most likely to be affected by the operation of the proposed facility pursuant to KRS 224.855(1) through KRS 224.855(4) and until a construction permit for said facility has been issued by the cabinet. The cabinet may consider past performance in this or related fields by the applicant. The cabinet, in making a determination to issue, deny or condition a construction permit, shall consider the following:

(a) An evaluation of alternatives, to include other locations and other treatment, storage, and disposal approaches, different from those proposed, available to the applicant;

(b) An evaluation of the public health, safety, and environmental aspects of the proposals;

(c) An evaluation of the social and economic impacts of the proposed action on the affected community, to include, at a minimum, changes in property values, community perception and other psychic costs, and the costs and availability of public services, facilities and improvements required to support the facility and protect public health, safety and the environment;

(d) An evaluation of mitigation measures to alleviate problems identified in *paragraphs* [~~subsections~~] (b) and (c) of this *subsection* [~~section~~]; and

(e) The relationship of the proposal to local planning and existing development.

Except that in the case of hazardous waste *incinerators,* landfills or other sites or facilities for the land disposal of hazardous waste the provisions of paragraphs (c) and (e) of this subsection shall be determined by the local unit of government pursuant to KRS 224.855(5); in the case of a regional integrated waste treatment and disposal demonstration facility the provisions of paragraphs (c) and (e) of this subsection shall be determined by the siting board established pursuant to KRS 224.2203.

(2) Any hazardous waste which would migrate, leach, or generate gas in its normal state shall not be disposed of in a landfill unless such waste has been either neutralized, detoxified, solidified, encapsulated or otherwise treated so that the character of the waste is such that it will prevent substantial migration, leaching or gas generation or unless the landfill is designed and constructed in such manner as will prevent substantial migration, leaching or gas generation, that in either case may cause or significantly contribute to an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness or pose a substantial present or potential hazard to human health or the environment.

(3) In conjunction with the application for permits under this section the applicant shall establish adequate financial responsibility as follows:

(a) The applicant shall file as part of his application for a permit to construct the facility an estimate of the cost of closing the facility after its capacity is reached or operations have otherwise ceased. In the case of storage facilities, the cost of closing shall include the cost of properly disposing of the hazardous waste stored. The cabinet shall evaluate this cost estimate and either accept the estimate as made or shall revise it in accordance with acceptable guidelines, using, where available, actual data on closure costs associated with similar existing facilities. Before a permit to operate can be issued the applicant for any hazardous waste permit shall assure that the funds needed to close the facility are available by establishing assurance through one (1) or more of the following mechanisms: cash, certificates of deposit, irrevocable credit or other sureties satisfactory to the cabinet and the mechanism shall be established by agreement with the cabinet. The agreement shall provide that disbursement is permissible only upon written approval of the cabinet and whenever, on the basis of any information, the cabinet determines that the owner or operator is in violation of any of the closure requirements for the facility, that the cabinet shall have the right to use part or all of the closure fund to carry out the closure requirements. The financial institution, surety company or escrow agent shall release these funds upon receiving a forfeiture order of the cabinet issued pursuant to an appropriate administrative hearing considering one (1) or more closure violations. Upon determination that closure has been satisfactorily accomplished, the cabinet shall release the applicant from further financial responsibility for closure.

(b) Any applicant for a hazardous waste disposal permit shall file with the cabinet as part of his application an estimate of the annual cost of post-closure monitoring and routine maintenance at the site. The cabinet shall evaluate the cost estimate, and, after such modification as may be necessary in light of its evaluation, shall give notice of acceptance of the cost estimate. This cost estimate which will be referred to as the annual post-closure operating cost will then be used to determine the amount of the post-closure monitoring and maintenance fund to be used for monitoring and maintenance for a period of a minimum of thirty (30) years after facility closure. The post-closure monitoring and maintenance fund shall be cash, irrevocable credit or other sureties satisfactory to the cabinet and shall be established by an agreement with the cabinet. The agreement shall provide that whenever, on the basis of any information, the cabinet determines that the owner or operator of the facility is in violation of any of the post-closure monitoring and maintenance requirements, the cabinet shall have the right to use part or all of the funds to carry out the post-closure monitoring and maintenance for the facility. The funds shall be released upon receipt of a forfeiture order of the cabinet issued pursuant to an appropriate administrative hearing considering one (1) or more post-closure monitoring and maintenance violations. One (1) year after closure and annually, thereafter, for a period of thirty (30) years, the applicant who has carried out all necessary post-closure maintenance and monitoring requirements may upon application to the cabinet be reimbursed out of the post-closure monitoring and maintenance fund an amount equal to the estimated costs for monitoring and routine maintenance for that year. Request for release of funds for reimbursement must be accompanied by an itemized list of costs incurred. Upon determination that the expenditures incurred are in accordance with the approved plan or otherwise justified the cabinet may authorize the release of the funds to the applicant in writing. Any funds remaining in the account following a termination hearing in which the applicant is released of further responsibility will likewise be released to the applicant.

(c) All applicants for any hazardous waste permit must provide evidence of financial responsibility in an amount and for a time period specified by the cabinet for the purpose of satisfying claims arising out of injury to persons or property resulting from the release or escape of hazardous waste into the environment. Such financial responsibility may be established by one or a combination of evidence of liability insurance, self-insurance, or other evidence of financial responsibility acceptable to the cabinet. The level of self-insurance shall not exceed ten percent (10%) of equity, and financial responsibility must be maintained during the entire operation of the facility and until termination. The minimum liability coverage for sudden occurrences, exclusive of legal defense costs, for a storage, treatment or disposal facility shall be one million dollars ($1,000,000) per occurrence with an annual aggregate of two million dollars ($2,000,000). A hazardous waste disposal facility shall maintain additional excess liability coverage in the amount of at least ten million dollars ($10,000,000). The minimum liability coverage for nonsudden occurrences, exclusive of legal defense costs, for a hazardous waste facility involving land disposal shall be five million dollars ($5,000,000) per occurrence with an annual aggregate of ten million dollars ($10,000,000). Combined coverage for sudden and nonsudden occurrences shall be no less than the combined totals herein set forth for separate coverage.

(4) The cabinet shall promulgate regulations establishing minimal standards for closure, post-closure monitoring and maintenance, and termination of sites for the disposal of hazardous waste. Any person who obtains a disposal permit for hazardous waste shall be responsible for the post-closure monitoring and maintenance of the permitted facility for a minimum of thirty (30) years after closure of the facility, and may apply to the cabinet for termination of the responsibility for post-closure monitoring and maintenance at any time after the site has been closed for at least thirty (30) years. Upon receipt of such application the cabinet

shall provide notice to the public and to the owner or operator and an opportunity for a hearing on the termination of the site. In this proceeding the burden shall be on the applicant to prove by clear and convincing evidence that additional post-closure monitoring and maintenance is not necessary for adequate protection of public health or the environment. The cabinet shall determine either that post-closure monitoring and maintenance of the site is no longer required in which case the applicant shall be relieved of such responsibility; or that additional post-closure monitoring and maintenance of the site as specified in a plan of operation is still required, in which case the cabinet may order appropriate remedial measures, impose restrictive covenants as to future use of the property involved, or otherwise condition termination as may be necessary for adequate protection of public health and the environment.

HB 888, AN ACT relating to surface coal mines.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 350.135 is amended to read as follows:

(1) No *surface coal mining* permit issued pursuant to this chapter shall be transferred by sale, assignment, lease, or otherwise except upon the written approval *by* [~~of~~] the cabinet *of a joint application submitted by both the transferor and the transferee. A basic fee set by regulation, and bearing a reasonable relationship to the cost of processing the transfer, but not to exceed three hundred seventy-five dollars ($375) shall accompany the application and no acreage fee will be assessed. The transferee shall file with the application a bond satisfactory to the cabinet which shall ensure reclamation of the entire area of land affected under the permit, including areas previously affected by the transferor. All rights and liabilities under the permit shall pass to the transferee upon written approval of the transfer by the cabinet, except that the transferor shall remain liable for any civil penalties resulting from violations occurring prior to the date of approval of the transfer. The cabinet shall not approve transfer of a surface coal mining permit to any person who would be ineligible to receive a new permit under this chapter.* [~~The cabinet may release the first operator from all liability under this chapter as to that particular operation; provided, however, that the successor operator has been issued a permit and has otherwise complied with the requirements of this chapter, and the successor operator assumes as part of his obligation under this chapter, all liability for the reclamation of the area of land affected by the former operator.~~]

(2) *After* [~~If~~] the cabinet has given its written approval to the transfer, *the transferee* [~~a successor in interest to a permittee who applies for a new permit within one hundred twenty (120) days of succeeding to such interest and who is able to obtain the bond coverage of the original permittee~~] may *conduct* [~~continue~~] surface coal mining and reclamation operations according to the approved mining and reclamation plan of the original permittee [~~until such successor's application is granted or denied~~]. *Any transferee seeking to change the conditions of mining or reclamation operations, or any of the terms or conditions of the original permit, shall apply for a new or revised permit pursuant to the requirements of the cabinet.*

(3) The cabinet shall not release the first operator from bond liability under this chapter as to that particular operation until the transferee, having filed a bond satisfactory to the cabinet, receives written approval from the cabinet for the transfer, and otherwise complies with the requirements of this chapter, and provided further that the transferee shall assume as part of his obligation under this chapter, all liability for the reclamation of the area of land affected by the former operator.

(4) The cabinet may promulgate reasonable regulations and administrative procedures to implement this section.

HB 991, AN ACT relating to radiation control.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO READ AS FOLLOWS:

The secretary for human resources may by regulation require licensees of radioactive materials to procure a surety bond in such amount as the secretary deems reasonably appropriate to cover potential clean-up costs in the event of abandonment, insolvency, or other inability of the licensee to meet the requirements of the secretary regarding a radioactive material accident or other public health hazard created by the presence of radioactive material at a site occupied by the licensee or formerly under its possession, ownership, or control. The secretary shall be the obligee of the bond and the proceeds of the bond shall be used by the secretary for defraying the cost of cleaning up and decontaminating the area or property involved.

The bond shall be issued by an insurance company authorized to do business in Kentucky. Failure to comply with any regulation promulgated to carry out this section by any licensee shall result in automatic revocation of such license by operation of law.

HB 1001, AN ACT relating to surface coal mining.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 350.610 is amended to read as follows:

(1) The secretary of the natural resources and environmental protection cabinet is hereby authorized to establish a planning process enabling objective decisions based upon competent and scientifically sound data as to which, if any, lands of the Commonwealth are unsuitable for all or certain types of surface coal mining operations pursuant to the standards set forth in this chapter; provided, that any such designation shall not prevent coal or other mineral exploration of any area so designated.

(2) Upon petition and hearing pursuant to subsection (6) of this section, the secretary shall designate an area as unsuitable for all or certain types of surface coal mining operations, if the secretary determines that reclamation pursuant to this chapter is not technologically and economically feasible.

(3) Upon petition and hearing pursuant to subsection (6) of this section, a surface area may be designated unsuitable for certain types of surface coal mining operations if such operations will:

(a) Be incompatible with existing state and local land use plans; or

(b) Affect fragile or historic lands in which such operations could result in significant damage to important historic, cultural, scientific, and aesthetic values, and natural systems; or

(c) Affect renewable resource lands in which such operations could result in a substantial loss or reduction of long range productivity of water supply or food or fiber products, and such lands to include aquifers and aquifer recharge areas; or

(d) Affect natural hazard lands in which such operations could substantially endanger life and property, such lands to include areas subject to frequent flooding and areas of unstable geology.

(4) Determinations of the unsuitability of land for surface coal mining shall be integrated as closely as possible with present and future land use planning and regulation processes at any appropriate level of government, including but not limited to any valid exercise of authority of a municipality or county, acting independently or jointly, pursuant to KRS Chapter 100.

(5) The requirements of this section shall not apply to lands on which coal mining operations were being conducted on August 3, 1977 or under a permit issued pursuant to this chapter or where substantial legal and financial commitments in such operation were in existence prior to January 4, 1977.

(6) Other provisions of this chapter relating to hearings to the contrary notwithstanding, any person having an interest which is or may be adversely affected shall have the right to petition the cabinet to the extent such a petition would be inconsistent with subsections (2) and (3) of this section, to have *a specific and well defined* [~~an~~] area designated as unsuitable for surface coal mining operations, or to have such a designation terminated. Such a petition shall contain allegations of facts which shall be specific as to the petitioner's designated area, *including a justification for each specific parcel of property in the area,* and shall be based upon objective evidence which would tend to establish the allegations. The cabinet shall make a determination or finding whether the petition is complete, incomplete or frivolous. Within ten (10) months after the receipt of the petition, the cabinet shall hold a public hearing in the locality of the affected area, after appropriate notice and publication of the date, time, and location of such hearing, pursuant to regulations promulgated by the cabinet to implement this section provided that when a permit application is pending before the cabinet and such application involves an area in a designation petition, the cabinet shall hold the hearing on the petition within ninety (90) days of its receipt. After a person having an interest which is or may be adversely affected has filed a petition and before the hearing, any person may intervene by filing allegations of facts with supporting evidence which would tend to establish the allegations. Within sixty (60) days after such a hearing, the cabinet shall issue and furnish to the petitioner and any other party to the hearing, a written decision regarding the petition, and the reasons therefor. In the event that all petitioners stipulate agreement prior to the requested hearing and withdraw their request, such hearing need not be held. Within thirty (30) days after receipt of an order, determination, finding or decision by the cabinet or the secretary hereunder, any applicant, or any person with an interest which is or may be adversely affected and who is aggrieved by the order, determination, finding or decision of the cabinet or secretary may obtain judicial review thereof by appealing to the circuit court of Franklin County pursuant to the provisions of KRS 224.085.

(7) Prior to designating any land areas as unsuitable for surface coal mining operations, the cabinet shall prepare a detailed statement on:

(a) The potential coal resources of the area;

(b) The demand for coal resources; [~~and~~]
(c) The impact of such designation on the environment, the economy, and the supply of coal*; and*
(d) The reasons and justifications for including each specific parcel of property in the designation.

(8) Subject to subsection (5) of this section, the cabinet shall not issue a permit to conduct surface coal mining and reclamation operations in contravention of any designation or any decision on any petition pursuant to subsection (6) of this section regarding any surface area designated unsuitable for mining; nor shall the cabinet issue a permit to conduct surface coal mining and reclamation operations in an area under study for such designation in an administrative proceeding already commenced under subsection (6) of this section.

HB 1015, AN ACT relating to solid waste disposal landfills.

WHEREAS, utilization of highwalls left from mining operations is an asset to the economic development of solid waste disposal facilities; and

WHEREAS, solid waste disposal facilities are a permitted use in 405 KAR 1:070 Section 3(3) for postmining land use; and

WHEREAS, a highwall is defined in 405 KAR 7:020 (50); and

WHEREAS, 405 KAR 7:020 (8) requires all highwalls to be eliminated as a condition for achieving the required postmining condition defined as "approximate original contour" and such elimination is without exclusion; and

WHEREAS, federal regulations in 30 CFR Part 826.12 (Federal Register, Vol. 47, No. 219) permit highwalls to remain where reasonably available spoil is not available, provided the remanent highwall does not pose a hazard to the public health and safety or to the environment; and

WHEREAS, a permitted exception to the elimination of highwalls in 405 KAR 7:020 (8) under conditions which protect the public health and safety and the environment would permit local governments to develop solid waste disposal facilities on sites with highwalls without the additional development costs generated by the elimination of the highwall;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) Utilization of existing highwalls by local governments developing solid waste disposal facilities is an economically beneficial action serving the public good. Local governments may under the following conditions be exempt from eliminating the highwalls on condition that:

(a) The land on which the highwall lies is owned by the local government unit;

(b) A sanitary landfill permit exists for the subject area or a resolution has been adopted by the local government unit that the site is to be used for a solid waste disposal site prior to any other principal;

(c) Prior to the sale of the property, when a solid waste permit on the subject area has not been obtained the highwall is eliminated pursuant to state regulations;

(d) A ground water monitoring plan approved by the cabinet for natural resources and environmental protection is in effect; or the site by virtue of particular hydrogeological conditions that minimize the potential of ground water contamination by landfill leachate is exempt from ground water monitoring requirements;

(e) All other state requirements for reclamation are enforced;

(f) A minimum of ten (10) feet of inorganic silt or clay with medium or low plasticity at ninety-five percent (95%) standard proctor compaction is placed between the highwall and the solid waste fill cells at the time of active landfilling and such a requirement is a condition of the landfill permit at the time it is granted; and

(g) Minimum three to one (3:1) slopes for final contours are a condition of the landfill permit.

(2) These provisions are to apply to all applications for solid waste permits pending as of the day of the enactment of this Act, as well as for those permits to be submitted, and to all highwalls on property owned by governmental units.

HJR 70, A JOINT RESOLUTION establishing the Bernheim Forest Deer Management Task Force.

WHEREAS, in recent years the deer population in Bernheim Forest and the surrounding areas has grown to such a large number that the deer herd has become extremely susceptible to disease and starvation; and

WHEREAS, the recent effort at managing the deer herd through a controlled public hunt brought the many interested parties into conflict with each other; and

WHEREAS, the results of the hunt are unclear, presenting the possibility that overpopulation of the deer herd will remain a continuing problem both for the fish and wildlife commission, which is charged with maintaining wild deer as a public resource, and for the landowners in the area of Bernheim Forest, whose crops are threatened by large numbers of deer which cannot find food in their natural environment; and

WHEREAS, the problem of an overpopulation of deer in the Bernheim Forest area needs a permanent solution that is acceptable to all the interested parties, the fish and wildlife commission, the Isaac W. Bernheim Foundation and private landowners;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission shall appoint a fifteen member task force which shall seek a permanent solution to the problems associated with the deer overpopulation in and around Bernheim Forest. The commission shall appoint to the task force individuals who are interested and knowledgeable as to the problems and possible solutions. In addition, in making the appointments the commission shall select individuals who will represent all groups with an interest in the problem. The commission shall appoint one (1) member to represent the fish and wildlife commission; one (1) member to represent the Isaac W. Bernheim Foundation; three (3) members who are landowners in the area and who favor hunting as a means of managing the deer; three (3) members who are landowners in the area and who do not favor hunting for management of the deer; the county judges/executive of Nelson and Bullit counties; two (2) citizens-at-large who are knowledgeable concerning the problem but who are impartial about management solutions; two (2) members of the House of Representatives of the Commonwealth of Kentucky who represent Bullit and Nelson Counties; and one (1) member of the Senate of the Commonwealth of Kentucky who represents Bullit or Nelson counties.

Section 2. That the goal of the task force shall be to propose permanent solutions to the overpopulation of deer in the Bernheim Forest area which are approved by all the interested parties. The task force shall file a report with the Legislative Research Commission by July 31, 1985.

Section 3. That the fish and wildlife commission shall assign a staff person to the task force to help insure that the task force can accomplish its purpose. The Legislative Research Commission shall assign staff to aid the task force as needed.

Section 4. That expenses of members to attend task force meetings and staff services to be utilized in completing this study are estimated to cost $24,000. These staff services shall be provided from the regular commission budget and are subject to the limitation and other research responsibilities of the commission.

HJR 99, A JOINT RESOLUTION directing the creation of a task force to study the feasibility of establishing a coal commodity trading exchange in Kentucky.

WHEREAS, Kentucky is the leading coal producing state in the nation; and

WHEREAS, coal plays a vital role in the economy of Kentucky and in the state's overall fiscal well-being; and

WHEREAS, new enterprises that would aid the marketing of Kentucky's coal resource would benefit not only the coal industry, but also the state government through increased tax revenue; and

WHEREAS, a coal commodity trading exchange would appear to have the potential to serve as such a marketing vehicle;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. There is hereby created a task force to study all relevant material, information and available expertise regarding the benefits to the people of the Commonwealth of establishing a coal commodity trading exchange in Kentucky.

Section 2. The task force shall be composed of fifteen members appointed by the Governor and shall include legislators, representatives of appropriate state agencies, coal industry representatives, and individuals having expertise in finance and brokeraging. The members shall receive no compensation but shall be reimbursed for their actual expenses incurred in attending meetings and in the performance of other official duties.

Section 3. The task force shall report its findings and detailed recommendations to the Governor and the General Assembly by October 30, 1986.

Section 4. It is estimated that the costs of the task force shall be ten thousand dollars, such monies to be provided by the regular budget of the Governor's office.

HCR 121, A CONCURRENT RESOLUTION directing a study of the effects of locating landfills within a limited geographical area.

WHEREAS, the siting of landfills can have an adverse impact on the economic value of the property surrounding the site; and

WHEREAS, landfills sited near residential areas can create health hazards from dust, leaching of toxic substances and noise; and

WHEREAS, the many problems associated with landfills are compounded when new sites are located near existing sites, thus placing an unreasonable burden on the surrounding community;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Interim Joint Committee on Natural Resources and Environmental Protection study approaches for siting new landfills away from areas with existing landfills in order to more evenly distribute among different communities the burdens of having landfills sited nearby.

Section 2. Staff services to be utilized in completing this study are estimated to cost $10,000. Such sum is merely an estimate pursuant to House Rule 63. Services and staff support are to be provided by the Legislative Research Commission. Staff support is subject to the limitations and other research responsibilities of the Legislative Research Commission.

Section 3. This study shall be submitted to the Legislative Research Commission no later than October 1, 1985.

SB 41, AN ACT relating to coal mining.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 350 IS CREATED TO READ AS FOLLOWS:

There is hereby created a small coal operators advisory council which shall report directly to the secretary of the governor's executive cabinet. The council shall advise on matters affecting coal production and utilization including coal market development, transportation and storage problems. The council shall have the function of coordinating and improving the working relationships between those state agencies administering programs which regulate, serve or aid small coal mine operators. The council shall consist of fifteen (15) members. Ten (10) of those members shall be appointed by the governor. Seven (7) of the ten (10) members shall be full-time operators producing two hundred thousand (200,000) or fewer tons of coal per year. Three (3) of the ten (10) appointees shall be with backgrounds in one (1) or more of the following areas: transportation, marketing, mining education, and mining engineering. The secretaries of the natural resources and environmental protection, and commerce cabinets and the commissioners of the agriculture, energy, and mines and minerals departments shall be ex officio members. Each individual appointment shall be for a four (4) year term which shall begin on July 15, 1984. Members may serve successive terms if reappointed. Vacancies shall be filled in a manner consistent with the provisions for initial appointments. At the first meeting held on or after July 1 of each year, a chairman shall be elected by and from the membership. The council shall meet at least quarterly during each year and may meet more often at the call of the chairman. The council shall be attached to the natural resources and environmental protection cabinet for administrative purposes. Council members shall be eligible for reimbursement by the cabinet for actual expenses directly related to serving on the council.

Section 2. KRS 152A.127, Small coal operators advisory council, is repealed.

SB 152, AN ACT relating to statutory actions and limitations and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 411 IS CREATED TO READ AS

FOLLOWS:

As used in this Act unless the context indicates otherwise:

(1) "Discharge or disposal" means the discharge, deposit, injection, dumping, spilling, leaking or placing of any hazardous materials into or on any land or water so that such materials or any constituent thereof may enter the environment or be discharged into any waters, including ground waters.

(2) "Hazardous material" means a substance or material in a quantity and form which may pose an unreasonable risk to health and safety or property when transported and which has been designated as a hazardous material under the federal Hazardous Materials Transportation Act (49 U.S.C. Section 1801, et seq.) or by any state law or regulation.

(3) "Person" means any individual, trust, firm, joint stock company, corporation (including a government corporation), partnership, association, federal agency, state agency, city, commission, political subdivision of the Commonwealth, or any interstate body.

SECTION 2. A NEW SECTION OF KRS CHAPTER 411 IS CREATED TO READ AS FOLLOWS:

No person who provides assistance or advice in mitigating or attempting to mitigate the effects of an actual or threatened discharge or disposal of hazardous materials, or in preventing, cleaning up, or disposing of or in attempting to prevent, clean up or dispose of any such discharge, shall be subject to any civil or criminal liabilities or penalties. This immunity shall not apply to any person whose act or omission caused in whole or in part the actual or threatened discharge or disposal and who would otherwise be liable for the discharge or disposal. Also this immunity shall not apply to any person who provides assistance or advice for remuneration or with the expectation of remuneration, except that actual expenses directly incurred due to giving the assistance or advice may be recovered without losing the immunity.

SECTION 3. A NEW SECTION OF KRS CHAPTER 411 IS CREATED TO READ AS FOLLOWS:

Nothing in Section 2 of this Act shall be construed to limit or otherwise affect the liability of any person for damages resulting from such person's gross negligence, or reckless, wanton, or intentional misconduct.

Section 4. Whereas there is an immediate danger to the Commonwealth of a hazardous materials accident, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

SB 280, AN ACT relating to surface mining.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS 350.066 TO KRS 350.070 IS CREATED TO READ AS FOLLOWS:

To make the state program no more stringent than the federal program, effective October 1, 1984, the cabinet shall, within thirty (30) days of publication of final rulemaking in the federal register, promulgate those regulations that are consistent with and no less effective than the federal regulations promulgated pursuant to Public Law 95-87, the Surface Mining Control and Reclamation Act of 1977 and by having such regulations in full force and effect within sixty (60) days thereafter unless a public hearing is requested. In the event a public hearing is held, the regulations shall be implemented within thirty (30) days after the hearing.

HB 931, AN ACT relating to coal mining.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 351.090 is amended to read as follows:

(1) The governor shall appoint an adequate number of mine inspectors to insure at least two (2) inspections annually, provided the mine is in operation the entire year or the proportionate thereof, of all mines in the state and sufficient additional inspectors to enable the commissioner to provide adequate surveillance of those underground coal mines where conditions or management policy dictate that more inspections are needed to insure the safety of miners. One (1) or more of the appointees may be designated as electrical mine inspectors. The governor shall also appoint an adequate number of inspectors of mine weights and mine safety instructors. The term of office of each mine inspector, each electrical inspector, each inspector of mine weights and each mine safety instructor shall be during the period of capable, efficient service and good behavior.

(2) All mine inspectors, electrical inspectors, mine safety instructors, [~~and~~] inspectors of mine weights, *and persons other than company supervisory personnel or other certified company officials, who by contractual rights, perform mine inspection work in any capacity,* shall have a thorough knowledge of first aid and mine rescue and be able to instruct in first aid and mine rescue, and shall possess thoroughly the knowledge required of the commissioner by KRS 351.060, and shall have a thorough and practical knowledge of mining gained by at least ten (10) years' experience in coal mines, at least two (2) of which must have been in mines in this state. For the purposes of this subsection, a degree in mining engineering from a recognized institution shall be deemed equivalent to two (2) years of practical experience in coal mines or an associate degree in mining technology from a recognized institution shall be deemed equivalent to one (1) year practical experience in coal mines. Persons desiring to use their mining engineering or technology degree for practical experience credit shall file a certified transcript of their grades and proof of having received their degree prior to examination. *Other persons, not including company officials and supervisors, who perform mine safety inspection work in any capacity shall be subject to the provisions of this subsection, unless excluded by other laws. They shall be also held responsible and liable for acts in the performance of their inspections.*

(3) No person shall be appointed to the office of mine inspector, electrical inspector, or mine safety instructor until he has passed a satisfactory examination before the board. The commissioner may recommend to the governor applicants for mine inspector, electrical inspector, or mine safety instructor who have successfully passed the examination and are proved by worth, training and experience to be the most competent of the applicants.

(4) Mine inspectors, electrical inspectors, mine safety instructors, and inspectors of mine weights shall be of good moral character and temperate habits and shall not, while holding office, act in any official capacity in operating any coal mine.

(5) No reimbursement for traveling expenses shall be made except on an itemized accounting for such expenses submitted by inspectors and safety instructors who shall verify upon oath that such expenses were incurred in the discharge of their official duties.

(6) Each mine inspector, electrical inspector, mine safety instructor, and inspector of mine weights shall take oath, which shall be certified by the officer administering it. The oath, in writing, and the certificate, shall be filed in the office of the secretary of state.

(7) Each mine inspector, electrical inspector, mine safety instructor, and inspector of mine weights shall give bond with surety approved by the governor.

The Committee Amendment to **HB 931** is as follows:

Amend printed copy of **HB 931,** page 1, line 20, by deleting the brackets and removing the strike through the word "and"

And on page 1, line 21, and on page 2, lines 1, 2, and 3, by deleting the following: "*, and persons other than company supervisory personnel or other certified company officials, who by contractual rights, perform mine inspection work in any capacity,*"

And on page 2, lines 22-25, by deleting the following: "*Other persons, not including company officials and supervisors, who perform mine safety inspection work in any capacity shall be subject to the provisions of this subsection, unless excluded by other laws. They shall be also held responsible and liable for acts in the performance of their inspections.*"

On page 3, line 27, by adding the following language:

"*(8) Persons, other than those employed by a company, who by contractual or other rights, perform mine inspection work in any capacity, shall be familiar with mining and possess experience equal to that required of a state mine inspector. They shall also be held responsible and liable for their conduct in the performance of their inspections and related acts. This subsection (8) shall not apply to persons excluded by other laws or those who by agreement with the mine operator make mine visits for technical and investigative work.*"

Motions, Petitions, and Communications (continued)

Representative B. Smith moved that **HB 810** and **HB 985** be withdrawn. Agreed.

The following Floor Amendments were filed to Bills:

Floor Amendment No. 1 to **HB 582,** by Representative Farrow:

Amend printed copy of **HB 582,** on page 1, by inserting after line 13, the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 413 IS CREATED TO READ AS FOLLOWS:

Any provision in a written contract which decreases the period of time provided by statute in which to bring an action shall be null and void."

Floor Amendment No. 2 to **HB 758,** by Representative Farrow:

Amend printed copy of House Committee Substitute for **HB 758,** page 29, line 9, by deleting after the word "met." Section 19 on lines 10 through 18 in its entirety and by renumbering the remaining sections accordingly.

Floor Amendment No. 1 to **HB 772,** by Representative Burnette:

Amend printed copy of **HB 772,** page 9, line 1, by deleting "*for*";

And by deleting line 2 in its entirety;

And on line 3 by deleting "*conditions established*";

And also on line 3, by deleting the opening brackets preceding the word "pursuant" and by deleting the strike-throughs in the words "pursuant to rules and regulations";

And on line 4, by deleting the strike-throughs in the word "prescribed" and by deleting the closing bracket after the word "prescribed";

And by deleting lines 5 through 7 in their entirety;

And on line 8, by renumbering subsection "*(17)*" as subsection "*(16)*";

And on line 15, by renumbering subsection "*(18)*" as subsection "*(17)*";

And on line 20, by renumbering subsection "*(19)*" as subsection "*(18)*";

And on line 23, by renumbering subsection "*(20)*" as subsection "*(19)*";

And on line 26, by renumbering subsection "*(21)*" as subsection "*(20)*";

And on page 10, line 3, by renumbering subsection "*(22)*" as subsection "*(21).*"

Floor Amendment No. 2 to **HB 772,** by Representative Burnette:

Amend printed copy of **HB 772,** page 14, line 14, by inserting the following:

"*(9) A person who holds a limited license to practice medicine in the Commonwealth as of July 14, 1984, shall, upon application anytime prior to July 15, 1985, be granted a regular license to practice medicine in the Commonwealth so long as the existing license was limited for a non-disciplinary reason. The new license shall thereafter be treated as a regular license for all reasons and purposes.*"

Floor Amendment No. 3 to **HB 772,** by Representative Perkins:

Amend printed copy of **HB 772,** page 23, beween lines 3 and 4 by adding the following new Section 7:

"SECTION 7. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) The board shall adopt rules and regulations to delineate the extent to which a physician assistant may provide services delegated by a licensed physician.

(2) Nothing in this Act shall be construed to prohibit services rendered by a physician assistant provided that such services are under the control and supervision of a licensed physician and conform to the rules and regulations promulgated by this section."; and

On page 23, line 4, by renumbering "Section 7" as "Section 8"; and

On page 24, line 9, by renumbering "Section 8" as "Section 9"; and

On page 25, line 8, by renumbering "Section 9" as "Section 10"; and

On page 25, line 23, by renumbering "Section 10" as "Section 11."

Floor Amendment No. 4 to **HB 772,** by Representative Cowan:

Amend printed copy of **HB 772,** on page 9, line 1, by deleting "*for*" and by deleting line 2 in its entirety;

And on line 3 by deleting "*conditions established*";

And also on line 3, by deleting the opening brackets preceding the word "pursuant" and by deleting the strike-throughs in the words "pursuant to rules and regulations";

And on line 4, by deleting the strike-throughs in the word "prescribed" and by deleting the closing bracket after the word "prescribed" and by deleting lines 5 through 7 in their entirety;

And on line 8, by renumbering subsection "*(17)*" as subsection "*(16)*";

And on line 15, by renumbering subsection "*(18)*" as subsection "*(17)*";

And on line 20, by renumbering subsection "*(19)*" as subsection "*(18)*";

And on line 23, by renumbering subsection "*(20)*" as subsection "*(19)*";

And on line 26, by renumbering subsection "*(21)*" as subsection "*(20)*";

And on page 10, line 3, by renumbering subsection "*(22)*" as subsection "*(21).*"

Floor Title Amendment to **HB 797,** by Representative Priddy:

Amend printed copy of **HB 797,** by amending title to read as follows: "AN ACT relating to police."

Floor Amendment No. 1 to **HB 797,** by Representative Priddy:

Amend printed copy of **HB 797,** page 2, after line 16, by adding the following:

"Section 2. KRS 345.010 is amended to read as follows:
When used in this chapter:

(1) "Public employer" means *any county, urban-county or city government within the Commonwealth* [~~a city containing a population of at least 300,000 as determined by the last federal census or any city that petitions the Commissioner of Labor to be included by this chapter~~].

(2) "Fire fighter" means an employe of the public employer engaged in serving the public by providing fire protection, including those covered by KRS Chapter 95;

(3) "Law enforcement officer" means a full-time member of a lawfully organized police department of county, urban-county or city government who is responsible for the prevention and detection of crime and the enforcement of the general criminal laws of the state, but does not include Kentucky state police, any elected officer, sheriff, deputy sheriff, constable, deputy constable, district detective, deputy district detective, special local police officer, auxiliary police officer, or any other peace officer not specifically authorized by this Act;

(4) "Labor organization" means*:*

(a) Any chartered labor organization of any kind in which fire fighters participate and which exists for the primary purpose of dealing with employers concerning grievances, labor disputes, wages, rate of pay, hours of employment or conditions of employment; *or*

(b) Any fraternal order in which law enforcement officers participate and which, as one of its functions, deals with employers concerning grievances, labor disputes, wages, rate of pay, hours of employment or conditions of employment.

(5)[~~(4)~~] "Exclusive representative" means the labor organization which has been designated by the State Labor Relations Board as the representative of the majority of fire fighters *or law enforcement officers* in appropriate units or has been so recognized by the public employer;

(6)[~~(5)~~] "Board" means the State Labor Relations Board;

(7)[~~(6)~~] "Person" includes one or more individuals, labor organizations, associations, corporations, legal representatives, trustees, trustees in bankruptcy, or receivers;

(8)[~~(7)~~] "Commissioner" means the Commissioner of Labor of the Commonwealth of Kentucky.

Section 3. KRS 345.020 is amended to read as follows:

(1) Whereas, the denial by some public employers of the right of fire fighters *or law enforcement officers* to organize and the refusal by such employers to accept the procedure of collective bargaining leads to various forms of strife and unrest, with the consequent effect of obstructing public business. Unresolved disputes in the public service are injurious to the public, the governmental agencies involved, and the fire fighters *or law enforcement officers.*

(2) Whereas, experience has proved that protection by law of the right of public employes to organize and bargain collectively safeguards the public business from injury, impairment, or interruptions, and promotes public business by removing certain recognized sources of strife and unrest, by encouraging practices fundamental to the friendly adjustment of disputes arising out of differences as to wages, hours, or other working conditions, and by creating equality of bargaining power between employers and employes.

(3) Whereas, it is hereby declared to be the policy of the State of Kentucky to eliminate the causes of certain substantial obstructions to public business and to mitigate and eliminate these obstructions when they have occurred by encouraging the practice and procedure of collective bargaining and by protecting the exercise by fire fighters *and law enforcement officers* of full freedom of association, self-organization, and designation of representatives of their own choosing, for the purpose of negotiating the terms and conditions of their employment or other mutual aid or protection.

Section 4. KRS 345.030 is amended to read as follows:

(1) Fire fighters *and law enforcement officers* of a *public employer* [~~city containing a population of at least 300,000 as determined by the federal census~~] shall have, and shall be protected in the exercise of, the right of self-organization, to form, join or assist any labor organization, to bargain collectively through representatives of their own choosing on questions of wages, hours, and other conditions of employment free from interference, restraint or coercion.

(2) Labor organizations designated by the State Board of Labor Relations as the representative of the majority of fire fighters *or law enforcement officers* in an appropriate unit or recognized by a public employer as the representative of the majority of employes in an appropriate unit shall be the exclusive representative for the employes of such unit for the purpose of collective bargaining with respect to rates of pay, wages, hours and other conditions of employment.

(3) Labor organizations recognized by a public employer as the exclusive representative or so designated in accordance with the provisions of this chapter shall be responsible for representing the interest of all fire fighters *or law enforcement officers* in the unit without discrimination.

Section 5. KRS 345.040 is amended to read as follows:

The public employer and such labor organization as has been designated as exclusive representative of fire fighters *or law enforcement officers* in an appropriate unit, through appropriate officials or their representatives, shall have the authority and the duty to bargain collectively. This duty extends to the obligation to bargain collectively as set forth in subsection (3) of KRS 345.050.

Section 6. KRS 345.050 is amended to read as follows:

(1) Public employers, their representatives or their agents are prohibited from:

(a) Interfering, restraining or coercing fire fighters *or law enforcement officers* in the exercise of the rights guaranteed in KRS 345.030;

(b) Dominating or interfering with the formation, existence or administration of any labor organization;

(c) Discriminating in regard to hiring or tenure of employment or any term or condition of employment to encourage or discourage membership in any labor organization; provided, that nothing in this chapter, or in any other statute of this state, shall preclude a public employer from making an agreement with a labor organization to require as a condition of employment membership therein on or after the thirtieth day following the beginning of such employment or on the effective date of such agreement, whichever is the later;

(d) Discharging or otherwise discriminating against an employe because he has signed or filed any affidavit, petition or complaint or given any information or testimony under this chapter;

(e) Refusing to bargain collectively in good faith with a labor organization which is the exclusive representative of employes in an appropriate unit, including but not limited to the discussing of grievances with the exclusive representative.

(2) Labor organizations or their agents are prohibited from:

(a) Restraining or coercing:

1. Fire fighters *or law enforcement officers* in the exercise of the right guaranteed in subsection (1) of KRS 345.030, and

2. A public employer in the selection of his representative for the purposes of collective bargaining or the adjustment of grievances;

(b) Refusing to bargain collectively in good faith with a public employer, if they have been designated in accordance with the provisions of this chapter as the exclusive representative of fire fighters *or law enforcement officers* in an appropriate unit.

(3) For the purposes of this chapter, to bargain collectively is to carry out in good faith the mutual obligation of the parties, or their representatives; to meet together at reasonable times, including meetings in advance of the budget-making process; to negotiate in good faith with respect to wages, hours and other conditions of employment; to negotiate an agreement; to negotiate any question arising under any agreement; and to execute a written contract incorporating any agreement reached, if requested by either party. The obligation shall not be interpreted to compel either party to agree to a proposal, or require either party to make a concession.

Section 7. KRS 345.060 is amended to read as follows:

(1) Whenever in accordance with such regulations and as may be prescribed by the State Labor Relations Board a petition has been filed:

(a) By a fire fighter *or law enforcement officer* or group of fire fighters *or law enforcement officers* or any labor organization acting in behalf of *thirty* [~~30~~] percent *(30%)* of the employes who have signed union affiliation cards *or petitions* and the *labor organization* [~~union~~] showing proof of representation:

1. Wish to be represented for collective bargaining by a labor organization as exclusive representative, or

2. Assert that the labor organization which has been certified or is currently being recognized by the public employer as bargaining representative is no longer the representative of the majority of employes in the unit; or

(b) By the public employer alleging that one or more labor organizations has presented to it a claim to be recognized as a representative of the majority of fire fighters *or law enforcement officers* in an appropriate unit; the board shall investigate such petition, and if it has reasonable cause to believe that a question of representation exists, shall provide for an appropriate hearing upon due notice. If the board finds that there is a question of representation, it shall direct an election by secret ballot to determine whether or by which labor organization the fire fighters *or law enforcement officers* desire to be represented and shall certify the result thereof.

(2) The board shall decide in each case, in order to assure fire fighters *or law enforcement officers* the fullest freedom in exercising the rights guaranteed by this chapter, the unit appropriate for the purposes of collective bargaining, based on such factors as community of interest, wages, hours and other working conditions of the fire fighters *or law enforcement officers* involved, the history of collective bargaining, and the desires of the fire fighters *or law enforcement officers.*

(3) An election shall not be directed in any bargaining unit or in any subdivision thereof within which in the preceding twelve-month period a valid election has been held. The board shall determine who is eligible to vote in the election and shall establish rules governing the election. In any election where none of the choices on the ballot receives a majority, a runoff shall be conducted, the ballot providing for the selection between the two choices receiving the largest and the second largest number of valid votes cast in the election. A labor organization which receives the majority of the votes cast in an election shall be certified by the board as exclusive representative of all the fire fighters *or law enforcement officers* in the unit.

(4) Nothing in this or any other law shall be construed to prohibit recognition of a labor organization as the exclusive representative by a public agency by mutual consent.

(5) No election shall be directed by the board in any bargaining unit where there is in force and effect a valid collective bargaining agreement. Provided, however, no collective bargaining agreement shall bar an election upon the petition of persons not parties thereto where more than three years have elapsed since the execution of the agreement or the last timely renewal, whichever was later.

Section 8. KRS 345.070 is amended to read as follows:

Violations of the provisions of KRS 345.050 shall be deemed to be unfair labor practices remedial by the board in the following manner.

(1) Whenever it is charged by a public employer or a labor organization that any person has engaged in or is engaging in any such unfair labor practices, the board, or any agent designated by the board for such purposes, shall issue and cause to be served upon the person a copy of the charges and a notice of hearing before the board or a member thereof, or before a designated agent, at a place therein fixed, not less than five days after serving of the copy of the charges by the board. Any charge may be amended by the charging party, at any time prior to the issuance of an order based thereon, provided that the charged party is not unfairly prejudiced thereby. The person upon whom the charge is served may file an answer to the charge. The charging party and the person charged shall appear in person or otherwise and give testimony at the place and time fixed in the notice of hearing. In the discretion of the member or agent conducting the hearing or the board, any other person may be allowed to intervene in the proceeding and to present testimony. In any hearing the board shall not be bound by the rules of evidence prevailing in the courts.

(2) The testimony taken by the member, agent or the board shall be reduced to writing and filed with the board. Thereafter the board upon notice may take further testimony or hear argument. If upon the preponderance of the testimony taken the board is of the opinion that any person named in the charge has engaged in or is engaging in an unfair labor practice, then it shall state its findings of fact and shall issue and cause to be served on the person an order requiring him to cease and desist from the unfair labor practice, and to take such affirmative action including reinstatement of fire fighters *or law enforcement officers* with or without back pay, as will effectuate the policies of this chapter. The order may further require the person to make reports from time to time showing the extent to which he has complied with the order. If upon the preponderance of the testimony taken the board is not of the opinion that the person named in the charge has engaged in or is engaging in the unfair labor practice, then the board shall state its finding of fact and shall issue an order dismissing the complaint. No order shall issue based upon any unfair labor practice occurring more than six months prior to the filing of the charge with the board, unless the person aggrieved thereby was prevented from filing the charge by reason of service in the armed forces, in which event, the six-month period shall be computed from the day of his discharge. No order of the board shall require the reinstatement of any individual as a fire fighter *or law enforcement officer* who has been suspended or discharged, or the payment to him of any back pay, if the individual was suspended or discharged for cause.

(3) Until the record in a case has been filed in court, the board at any time, upon reasonable notice and in such manner as it deems proper, may modify or set aside, in whole or in part, any finding or order made or issued by it.

(4) The board or the charging party may petition for the enforcement of the order and for appropriate temporary relief or restraining order, and shall file in the circuit court for the county in which the violation occurred, the record in the proceedings. Upon the filing of the petition, the circuit court shall cause notice thereof to be served upon the charged party, and thereupon shall have jurisdiction of the proceeding and shall grant such temporary or permanent relief or restraining order as it deems just and proper, enforcing modifying, enforcing as so modified, or setting aside in whole or in part the order of the board. No objection that has not been urged before the board, its member or agent, shall be considered by the court, unless the failure or neglect to urge the objection is excused because of extraordinary circumstances. The findings of the board with respect to questions of fact if supported by substantial evidence on the record considered as a whole shall be conclusive. If either party applies to the circuit court for leave to present additional evidence and shows to the satisfaction of the circuit court that the additional evidence is material and that there were reasonable grounds for the failure to present it in the hearing before the board, its member or agent, the court may order the additional evidence to be taken before the board, its member or agent, and to be made a part of the record. The board may modify its findings as to the facts, or make new findings, by reason of additional evidence so taken and filed, and it shall file the modifying or new findings, which findings with respect to questions of fact if supported by substantial evidence on the record considered as a whole shall be conclusive, and shall file its recommendations, if any, for the modification or setting aside of its original order. Upon the filing of the record (with it) the jurisdiction of the court shall be exclusive and its judgment and decree shall be final, except that the same shall be subject to review by the Court of Appeals in accordance with the general court rules.

(5) Any person aggrieved by a final order of the board granting or denying in whole or in part the relief sought may obtain a review of such order in the court by filing in the circuit court a complaint praying that the order of the board be modified or set aside, with copy of the complaint filed with the board, and thereupon the aggrieved party shall file in the court the record in the proceeding, certified by the board. Upon the filing of the complaint, the court shall proceed in the same manner as under subsection (4), and shall grant to the board such temporary relief or restraining order as it deems just and proper, enforcing modifying, enforcing as so modified, or setting aside in whole or in part the order of the board. The findings of the board with respect to questions of fact if supported by substantial evidence on the record considered as a whole shall be conclusive.

(6) The commencement of proceedings under subsections (4) and (5) shall not, unless specifically ordered by the court, operate as a stay of the board's order.

(7) Complaints filed under this chapter shall be heard expeditiously by the court to which presented,

and shall take precedence over all other civil matters except earlier matters of the same character.

Section 9. KRS 345.090 is amended to read as follows:

Except as hereinafter provided, when a labor organization has been designated in accordance with the provisions hereof as the exclusive representative of fire fighters *or law enforcement officers* in an appropriate unit, the chief executive officer of the political subdivision, whether elected or appointed, or his designated authorized representative or authorized representatives, shall represent the public employer in collective bargaining with such employe organization.

Section 10. KRS 345.100 is amended to read as follows:

(1) Any agreement reached by the negotiators shall be reduced to writing and shall be executed by both parties.

(2) An agreement between the public employer and a labor organization shall be valid and enforced under its terms when entered into in accordance with the provisions of this chapter and signed by the chief executive officer of the political subdivision or his representative. No publication thereof shall be required to make it effective. The procedure for the making of an agreement between a political subdivision and a labor organization provided by this chapter shall be the exclusive method of making a valid agreement for fire fighters *or law enforcement officers* represented by a labor organization.

(3) Suits for violation of agreements between a public employer and a labor organization representing fire fighters *or law enforcement officers* may be brought by the parties to such agreement in the circuit court of the county of the employer or in cases where the state is the employer in the Franklin Circuit Court.

Section 11. KRS 345.110 is amended to read as follows:

Upon the written authorization of any fire fighters *or law enforcement officers* within a bargaining unit, the public employer shall deduct from the payroll of the public employe the monthly amount of dues as certified by the secretary of the exclusive bargaining representative and shall deliver the same to the treasurer of the exclusive bargaining representative.

Section 12. KRS 345.120 is amended to read as follows:

(1) There is hereby created and established a state labor relations board to assist in resolving disputes between public employers and fire fighters *or law enforcement officers* or their labor organization which shall be composed of three (3) members appointed by the governor, one (1) for a term of two (2) years, one (1) for a term of three (3) years, and one (1) for a term of four (4) years. The governor shall designate one (1) member to serve as chairman of the board. Thereafter, upon the expiration of the term of any member, members shall be appointed for four-year terms by the governor.

(2) Each member of the board shall have been an elector in this state for at least one (1) year next preceding his appointment. Any member may be removed by the governor for cause, shown in a public hearing after the accused has been given a copy of the charges made and has had an opportunity to answer such charges. The governor shall fill any vacancy by appointment for the unexpired term. No member shall receive a salary but each member shall be paid $50 and expenses for each day during which he is engaged in the duties of the board. The board is authorized to hold hearings at any place in this state. Any and all expenses incurred by the labor relations board shall be shared by all parties concerned in the dispute.

(3) The board shall appoint such employes as may be necessary to carry out the work of the board. All files, records and documents accumulated by the board shall be kept in offices provided by the board. All decisions shall be made by a majority of the board.

(4) To accomplish the objectives and to carry out the duties prescribed by this chapter, the board may subpoena witnesses, issue subpoenas to require the production of books, papers, records and documents which may be needed as evidence in any matter under inquiry, and may administer oaths and affirmations.

(5) In case of neglect or refusal to obey a subpoena issued to any person, the circuit court of the county in which the investigations or the public hearings are taking place, upon application by the board may issue an order requiring such person to appear before the board, any member or agent, to produce evidence or give testimony about the matter under investigation. A failure to obey such order may be punished by the court as a contempt.

(6) Any subpoena, notice of hearing or other process or notice of the board issued under the provisions of this chapter may be served personally, by certified mail, return receipt requested or by leaving a copy at the principal office or place of residence of the respondent required to be served. A return, made and verified by the individual making such service and setting forth the manner of such service is proof of service and a returned post-office receipt, when certified mail is used, is proof of service. All process of any court to which application may be made under the provisions of this chapter may be served in the county wherein the persons required to be served reside or may be found.

(7) The board shall adopt, promulgate, amend or rescind such rules and regulations as it deems necessary and administratively feasible to carry out the provisions of this chapter. Public hearings shall be

held by the board on any proposed rule or regulation of general applicability designed to implement, interpret or prescribe policy, procedure or practice requirements under the provisions of this chapter and on any proposed change in an existing rule or regulation. Reasonable notice shall be given prior to such hearings, which shall include the time, place and nature of such hearing and also the terms or substance of the proposed rule or regulation or the changes of such rule or regulation.

(8) The board shall be attached to the department of labor for administrative purposes.

Section 13. KRS 345.130 is amended to read as follows:

No fire fighter *or law enforcement officer* shall engage in, and no fire fighter *or law enforcement officer* labor organization shall sponsor or condone any strike."

Floor Amendment No. 1 to **HB 933**, by Representative Endicott:

Amend printed copy of **HB 933**, after line 26 of page 8, by adding the following:

Section 6. KRS 141.120 is amended to read as follows:

(1) As used in this section, unless the context requires otherwise:

(a) "Business income" means income arising from transactions and activity in the regular course of a trade or business of the taxpayer and includes income from tangible and intangible property if the acquisition, management, or disposition of the property constitutes integral parts of the taxpayer's regular trade or business operations;

(b) "Commercial domicile" means the principal place from which the trade or business of the taxpayer is managed;

(c) "Compensation" means wages, salaries, commissions, and any other form of remuneration paid or payable to employes for personal services;

(d) "Financial organization" means any bank, trust company, savings bank, industrial bank, land bank, safe deposit company, private banker, savings and loan association, credit union, cooperative bank, investment company, or any type of insurance company;

(e) "Nonbusiness income" means all income other than business income;

(f) "Public service company" means any business entity subject to taxation under KRS 136.120;

(g) "Sales" means all gross receipts of the taxpayer not allocated under subsections (3) through (7) of this section;

(h) "State" means any state of the United States, the District of Columbia, the commonwealth of Puerto Rico, any territory or possession of the United States, and any foreign country or political subdivision thereof.

(2) Any corporation which is required by KRS 141.010(14)(b) to allocate and apportion its net income shall allocate and apportion its net income as provided in this section.

(3) Rents and royalties from real, *intangible* or tangible personal property, capital gains and losses, interest, or patent or copyright royalties, to the extent that they constitute nonbusiness income, shall be allocated as provided in subsections (4) through (7) of this section.

(4) (a) Net rents and royalties from real property located in this state are allocable to this state.

(b) Net rents and royalties from tangible personal property are allocable to this state if and to the extent that the property is utilized in this state; or in their entirety if the taxpayer's commercial domicile is in this state and the taxpayer is not organized under the laws of or taxable in the state in which the property is utilized.

(c) The extent of utilization of tangible personal property in a state is determined by multiplying the rents and royalties by a fraction, the numerator of which is the number of days of physical location of the property in the state during the rental or royalty period in the taxable year and the denominator of which is the number of days of physical location of the property everywhere during all rental or royalty periods in the taxable year. If the physical location of the property during the rental or royalty period is unknown or unascertainable by the taxpayer, the tangible personalty is utilized in the state in which the property was located at the time the rental or royalty payer obtained possession.

(d) Net rents and royalties from intangible personal property located in this state are allocable to this state. For purposes of this section, royalties from property leased in Kentucky shall be considered as royalties from intangible personal property.

(5) (a) Capital gains and losses from sales or other dispositions of real property located in this state are allocable to this state.

(b) Capital gains and losses from sales or other dispositions of tangible personal property are allocable to this state if the property had a situs in this state at the time of the sale, or the taxpayer's commercial domicile is in this state and the taxpayer is not taxable in the state in which the property had a situs.

(c) Capital gains and losses from sales or other dispositions of intangible personal property are allocable to this state if the taxpayer's commercial domicile is in this state.

(6) Interest is allocable to this state if the taxpayer's commercial domicile is in this state.

(7) (a) Patent and copyright royalties are allocable to this state if and to the extent that the patent or copyright is utilized by the payer in this state; or if and to the extent that the patent or copyright is utilized by the payer in a state in which the taxpayer is not taxable and the taxpayer's commercial domicile is in this state.

(b) A patent is utilized in a state to the extent that it is employed in production, fabrication, manufacturing, or other processing in the state or to the extent that a patented product is produced in the state. If the basis of receipts from patent royalties does not permit allocation to states or if the accounting procedures do not reflect states of utilization, the patent is utilized in the state in which the taxpayer's commercial domicile is located.

(c) A copyright is utilized in a state to the extent that printing or other publication originates in the state. If the basis of receipts from copyright royalties does not permit allocation to states or if the accounting procedures do not reflect states of utilization, the copyright is utilized in the state in which the taxpayer's commercial domicile is located.

(8) All business income shall be apportioned to this state by multiplying the income by a fraction, the numerator of which is the property factor plus the payroll factor plus the sales factor, and the denominator of which is three (3).

(a) The property factor is a fraction, the numerator of which is the average value of the taxpayer's real and tangible personal property owned or rented and used in this state during the tax period and the denominator of which is the average value of all the taxpayer's real and tangible personal property owned or rented and used during the tax period; provided, however, that property which has been certified as a pollution control facility as defined in KRS 224.850 shall be excluded from the property factor.

1. Property owned by the taxpayer is valued at its original cost. If the original cost of any property is not determinable or is nominal or zero such property shall be valued by the department under regulations promulgated by the department. Property rented by the taxpayer is valued at eight (8) times the net annual rental rate. Net annual rental rate is the annual rental rate paid by the taxpayer less any annual rental rate received by the taxpayer from sub-rentals, provided that such rental and such sub-rentals are reasonable. If the department determines that the annual rental or sub-rental rate is unreasonable, or if a nominal or zero rate is charged, the department may determine and apply such rental rate as will reasonably reflect the value of the property rented by the taxpayer.

2. The average value of property shall be determined by averaging the values at the beginning and ending of the tax period but the department may require the averaging of monthly values during the tax period if reasonably required to reflect properly the average value of the taxpayer's property.

(b) The payroll factor is a fraction, the numerator of which is the total amount paid or payable in this state during the tax period by the taxpayer for compensation, and the denominator of which is the total compensation paid or payable everywhere during the tax period. Compensation is paid or payable in this state if:

1. The individual's service is performed entirely within the state; or

2. The individual's service is performed both within and without the state, but the service performed without the state is incidental to the individual's service within the state; or

3. Some of the service is performed in the state and the base of operations or, if there is no base of operations, the place from which the service is directed or controlled is in the state, or the base of operations or the place from which the service is directed or controlled is not in any state in which some part of the service is performed, but the individual's residence is in this state.

(c) The sales factor is a fraction, the numerator of which is the total sales of the taxpayer in this state during the tax period, and the denominator of which is the total sales of the taxpayer everywhere during the tax period. Sales of tangible personal property are in this state if:

1. The property is delivered or shipped to a purchaser, other than the United States government, or to the designee of the purchaser within this state regardless of the f.o.b. point or other conditions of the sale; or

2. The property is shipped from an office, store, warehouse, factory, or other place of storage in this state and the purchaser is the United States government.

3. Sales, other than sales of tangible personal property, are in this state if the income-producing activity is performed in this state; or the income-producing activity is performed both in and outside this state and a greater proportion of the income-producing activity is performed in this state than in any other state, based on costs of performance.

(9) If the allocation and apportionment provisions of this section do not fairly represent the extent of the taxpayer's business activity in this state, the taxpayer may petition for or the department may require, in respect to all or any part of the taxpayer's business activity, if reasonable:

(a) Separate accounting;

(b) The exclusion of any one or more of the factors;

(c) The inclusion of one or more additional factors which will fairly represent the taxpayer's business activity in this state; or

(d) The employment of any other method to effectuate an equitable allocation and apportionment of the taxpayer's income.

(10) Public service companies and financial organizations required by KRS 141.010(14)(b) to allocate and apportion net income shall allocate and apportion such income as follows:

(a) Nonbusiness income shall be allocated to this state as provided in subsections (4) through (7) of this section.

(b) Business income shall be apportioned to this state by multiplying the business income by a fraction, the numerator of which is the property factor plus the payroll factor plus the sales factor and the denominator of which is three (3). The payroll factor shall be determined as provided in subsection (8)(b) of this section. The property factor and sales factor shall be determined as provided by regulations promulgated by the department.

Floor Amendment No. 3 to **SB 215**, by Representative Morris:

Amend printed copy of **SB 215**, page 5, after line 10, by adding the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 317A IS CREATED TO READ AS FOLLOWS:

The board shall issue an operating license for a salon within thirty (30) days from successful completion of the license inspection. The board's inspector shall issue to the salon owner a temporary permit which shall be valid for a period of not more than thirty (30) days or until the operating license is received, whichever comes first. The salon owner shall pay a fee of one dollar ($1) for the temporary permit."

Floor Amendment No. 4 to **SB 215**, by Representative Morris:

Amend printed copy of **SB 215**, page 5, after line 10, by adding the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 317A IS CREATED TO READ AS FOLLOWS:

The board shall issue an operating license for a salon within thirty (30) days from successful completion of the license inspection. The board's inspector shall issue to the salon owner a temporary permit which shall be valid for a period of not more than thirty (30) days or until the operating license is received, whichever comes first."

Floor Amendment No. 5 to **SB 215**, by Representative Burnette:

Amend printed copy of **SB 215**, page 5, after line 10, by adding the following:

"SECTION 18. A NEW SECTION OF KRS CHAPTER 317A IS CREATED TO READ AS FOLLOWS:

The board shall issue an operating license for a salon within thirty (30) days from successful completion of the license inspection. The board's inspector shall issue to the salon owner a temporary permit which shall be valid for not more than thirty (30) days or until the operating license is received, whichever comes first. The salon operator shall pay five dollars ($5) fee for the temporary permit."

Adjournment

Representative LeMaster moved that the House adjourn until 10 a.m., Friday, March 16, 1984.

On the roll call the vote was yeas 54-Allen, Arnold, Bendl, Blandford, Blevins, Burch, Caldwell, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Donnermeyer, Dunn, Endicott, Farrow, Gedling, Guenthner, Hancock, Holbrook, Holloway, Johnson, T. Jones, Kenton, Lefevers, LeMaster, Long, Mann, McBee, McElroy, McNutt, Moberly, Noe, Noland, O'Brien, Patrick, Priddy, Rapier, Reinhardt, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, White, Yates. Nays 1-Williams.

The motion to adjourn was adopted.

FRIDAY, MARCH 16, 1984

FORTY-EIGHTH LEGISLATIVE DAY

The House was called to order by Speaker Richardson.

Prayer by Reverend Bud McIntire, St. John's Church, Brandenburg, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representative Petty.

Representative Brinkley moved that the absent member be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Brinkley moved that the reading of the Journal of March 15, 1984, be dispensed with and the same approved. Agreed.

Senate Message

Announcing passage of **SB 221, SB 316, SB 338, SB 339, SB 341, SB 348, SB 361, SB 366, SB 369, SB 411, SB 416, SCR 45, SCR 56, HB 310** with Senate Amendment, **HB 108, HB 574,** and **HB 707**

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bills and Resolutions:

State Government: **HR 131.**

Report of Committees

The Committee on Rules reported **HB 134, HB 382, HB 464, HB 525, HB 768, HB 842, HB 864, HB 635, HB 926, HJR 74, HR 114, SB 87, SB 194, SB 210, SB 256, SB 327, SB 243, SB 273, HB 885, SB 46,** and **SB 101** have been posted for passage in Orders of the Day, March 19, 1984.

The Committee on Rules reported the following Bills have been recommitted:

Appropriations and Revenue: **HB 603, HB 607.**

Banking and Insurance: **HB 838.**

The Committee on Health and Welfare reported **HB 714** with Committee Substitute attached thereto, **HB 759, HB 819, HB 880, HB 995, HCR 89,** and **HCR 120** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 714, AN ACT relating to foster care.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 205.520 is amended to read as follows:
(1) KRS 205.510 to 205.630 shall be known as the "Medical Assistance Act."
(2) The general assembly of the Commonwealth of Kentucky recognizes and declares that it is an essential function, duty and responsibility of the state government to provide medical care to its indigent citizenry; and it is the purpose of KRS 205.510 to 205.630 to provide such care.

(3) Further, it is the policy of the Commonwealth to take advantage of all federal funds that may be available for medical assistance. To qualify for federal funds the secretary for human resources may by regulation comply with any requirement that may be imposed or opportunity that may be presented by federal law. Nothing in KRS 205.510 to 205.630 is intended to limit the secretary's power in this respect.

(4) *The secretary shall provide medical assistance to children in foster care committed to the custody or guardianship of the cabinet until such children reach the age of twenty-one (21) and only when such children remain in foster care for the limited purpose of attending vocational, technical or high school.*

(5) It is the intention of the general assembly to comply with the provisions of title XIX of the social security act which require that the Kentucky medical assistance program recover from third parties which have a legal liability to pay for care and services paid by the Kentucky medical assistance program.

(6)[~~(5)~~] The Kentucky medical assistance program shall be the payor of last resort and its right to recover under KRS 205.622 to 205.630 shall be superior to any right of reimbursement, subrogation, or indemnity of any liable third party.

SECTION 2. A NEW SECTION OF KRS CHAPTER 208 IS CREATED TO READ AS FOLLOWS:

(1) If in its decree the juvenile session of district court finds that the child comes within the purview of subsections (1) or (2) of KRS 208.020, the court may, by order:

(a) Place the child on probation or under supervision in his own home or in a suitable family home or boarding home, upon such conditions as the court shall determine. Probation or supervision shall not be ordered or administered as a punishment, but as a measure for the protection, guidance and well-being of the child and his family. A child so placed on probation or supervision shall be subject to the visitation and supervision of a probation officer or a child welfare worker. Probation and supervision methods shall be directed to the discovery and correction of the basic causes of maladjustment and to the development of the child's personality and character, with the aid of the social resources of the community. A child so placed on probation or supervision shall remain subject to the jurisdiction of the court until he becomes eighteen (18) years of age, unless he is discharged prior thereto by the court; provided, however, that a child so placed on probation or supervision may remain subject to the jurisdiction of the court until the age of nineteen (19) for the limited purpose of making state and federal educational programs available to him, if after reaching the age of eighteen (18) he indicates to the judge of the juvenile session of district court in open court that he so desires.

(b) Commit the child to the custody or guardianship of the cabinet or of a private institution or public agency authorized to care for such children, or place the child under the custody and the supervision of a suitable person. All orders of commitment may include such advisory recommendations as the court may deem proper in the best interests of the child and of the public. Such commitment or placement shall be until the age of eighteen (18) subject to the power of the court to terminate the order and discharge the child prior thereto except that the commitment or placement may be until the age of twenty-one (21) if the child after reaching the age of eighteen (18) indicates to the judge of the juvenile session of district court in open court that he so desires. The extension of the commitment or placement beyond the age of eighteen (18) to age twenty-one (21) shall be for the limited purpose of making state and federal educational programs available to the child. The governing authorities of said cabinet, agency or institution may likewise discharge the child unless the court directs otherwise. Prior to said discharge two (2) weeks' notice must be given to the committing court, to the legal representative of the child and to the county attorney of the county in which committing court presides. During the period of commitment or placement, the court may review a dispositional order and may modify or terminate such order as the court deems essential to the best interests of the child. In committing a child to a private institution or agency the court shall select one that is approved by the cabinet for human resources and children committed to such an institution or agency shall be subject to the visitation and supervision of a probation officer or child welfare worker.

(2) In the event a child who has not reached his eighteenth birthday commits a new offense while under the jurisdiction of the court or during the period of commitment the court shall have exclusive, original jurisdiction of the new offense.

(3) After a child has been disposed of as provided in paragraph (a) or (b) of subsection (1) of this section he may not then be transferred to the circuit court as provided for in KRS 208.170.

(4) If a child sixteen (16) years of age or older has been adjudicated delinquent in the commission of an offense classified as a misdemeanor or violation, the court in its discretion may order as follows:

(a) Participation in a community services work program. The work program shall be of a constructive nature designed to promote the rehabilitation of the child. The program shall be appropriate to the age level and physical ability of the child and shall be combined with counseling from a probation officer or other responsible person. The work program shall not be scheduled during such times that would interfere with educational, occupational, or religious obligations of the child. Assignment to a community services work program shall be made to a governmental or nonprofit community organization for a specified period of time, not to exceed one hundred and twenty (120) hours for a child adjudicated delinquent in the commission of a Class A misdemeanor, not to exceed eighty (80) hours for a child adjudicated delinquent in

the commission of a Class B misdemeanor, and not to exceed forty (40) hours for a child adjudicated delinquent in the commission of an offense classified as a violation under the penal code. A child may be directed to participate in a community services work program as provided in this subsection for the purposes of restitution authorized by KRS 208.240.

(b) The court may impose a fine for a misdemeanor or violation offense. The imposition of a fine for a misdemeanor or violation offense committed by a child shall be based upon a determination that such disposition is in the best interest of the child and to aid in his rehabilitation. Any such order shall include a finding that the child is financially able to pay such fine.

(c) Fines shall be levied consistent with the schedule set forth below:

For a Class A misdemeanor, not to exceed one hundred fifty dollars ($150);
For a Class B misdemeanor, not to exceed seventy-five dollars ($75); and
For a violation, not to exceed fifty dollars ($50).

When a child is directed by the court to pay a fine, the court may provide for payment to be made within a specified period of time or in specified installments. If such provision is not made a part of the court's disposition, the fine shall be payable immediately.

(5) When a child has been ordered to comply with the provisions in subsection (4) of this section and fails to do so, the court upon motion of the prosecuting attorney or upon its own motion may require the child to show cause why he should not be held in detention for noncompliance with the court order. The court may issue an order of custody or a summons for his appearance.

(6) Following issuance of a show cause order pursuant to subsection (5) of this section, unless the child can show that noncompliance was not the result of an intentional refusal to comply with the court order or not the result of a failure to make a good faith effort to comply with the court order, the court may order the child detained as follows:

(a) For a period not to exceed five (5) days if the order is imposed for the commission of a Class A misdemeanor;

(b) For a period not to exceed three (3) days if the order is imposed for the commission of a Class B misdemeanor;

(c) For a period not to exceed two (2) days if the order is imposed for the commission of a violation.

Any detention imposed for failure to comply with the court order shall not be scheduled for a time that would interfere with the educational obligations of the child, and shall be in an approved detention facility as provided in KRS 208.130.

(7) When in the judgment of the court a disposition stated in subsection (4) of this section is inadequate to aid in the rehabilitation of a misdemeanor offender, the court in its discretion may order a child sixteen (16) years of age or older who has been adjudicated delinquent in the commission of an offense classified as a misdemeanor to detention in an approved detention facility as provided in KRS 208.130 based upon the schedule set forth below:

Class A misdemeanor, one (1) to thirty (30) days;
Class B misdemeanor, one (1) to fifteen (15) days;

provided, that, the court shall advise the child prior to entering its order under this subsection that the child upon demand may receive a trial by jury in the regular session of district court, which trial and any appeal therefrom shall be conducted in accordance with the Rules of Criminal Procedure. The detention of a juvenile misdemeanor offender shall not be scheduled to interfere with the educational obligations of the child. Detention may be scheduled during periods such as weekends, after school, or overnight. Any portion of a day spent in detention shall be deemed as one day for the purposes of serving a detention term.

(8) No adjudication by a juvenile session of district court of the status of any child shall be deemed a conviction, nor shall such adjudication operate to impose any of the civil disabilities ordinarily resulting from a criminal conviction, nor shall any child be found guilty or be deemed a criminal by reason of such adjudication.

Section 3. KRS 208.200, Probation or commitment of child convicted of public offense is repealed.

The Committee Substitute to **HB 714** is as follows:

HB 714, AN ACT relating to foster care.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 205.520 is amended to read as follows:

(1) KRS 205.510 to 205.630 shall be known as the "Medical Assistance Act."

(2) The general assembly of the Commonwealth of Kentucky recognizes and declares that it is an essential function, duty and responsibility of the state government to provide medical care to its indigent

citizenry; and it is the purpose of KRS 205.510 to 205.630 to provide such care.

(3) Further, it is the policy of the Commonwealth to take advantage of all federal funds that may be available for medical assistance. To qualify for federal funds the secretary for human resources may by regulation comply with any requirement that may be imposed or opportunity that may be presented by federal law. Nothing in KRS 205.510 to 205.630 is intended to limit the secretary's power in this respect.

(4) *The cabinet for human resources shall provide medical assistance to eligible children in foster care committed to the custody or guardianship of the cabinet until such children reach the age of twenty-one (21) so long as the providing of such medical care is consistent with federal regulations and when such individuals remain in foster care beyond their eighteenth birthday for the limited purpose of making state and federal educational programs available to them.*

(5) It is the intention of the general assembly to comply with the provisions of title XIX of the social security act which require that the Kentucky medical assistance program recover from third parties which have a legal liability to pay for care and services paid by the Kentucky medical assistance program.

(6)[~~(5)~~] The Kentucky medical assistance program shall be the payor of last resort and its right to recover under KRS 205.622 to 205.630 shall be superior to any right of reimbursement, subrogation, or indemnity of any liable third party.

SECTION 2. A NEW SECTION OF KRS CHAPTER 208 IS CREATED TO READ AS FOLLOWS:

By order of the district court and with the agreement of the foster child and the cabinet, the commitment or placement of a foster child may continue until the foster child attains the age of twenty-one (21) but only for the limited purpose of making state and federal educational programs available to the child.

HB 759, AN ACT relating to community mental health-mental retardation programs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 210 IS CREATED TO READ AS FOLLOWS:

(1) Notwithstanding the provisions of KRS 210.410, the secretary of the cabinet for human resources may, in no more than two (2) regional community mental health-mental retardation board service areas, contract directly with any provider of mental retardation services and with the board of the respective service area for the provision of mental retardation services as listed in KRS 210.410.

(2) Any, federal or state, funds made available to the cabinet for human resources for mental retardation services under the provisions of KRS 210.410, including funds made available under Title 19 of the Social Security Act, shall be subject to the provisions of this section.

SECTION 2. A NEW SECTION OF KRS CHAPTER 210 IS CREATED TO READ AS FOLLOWS:

Any regional community mental health-mental retardation board which contracts with any local provider of mental retardation services, using funding made available to the board by the cabinet for human resources, for the provision of mental retardation services under KRS 210.410 shall not retain for administrative purposes more than five percent (5%) of the contracted funds.

HB 819, AN ACT relating to public health.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 219.011 is amended to read as follows:

As used in KRS 219.011 to 219.081:

(1) "Secretary" means the secretary of the cabinet for human resources.

(2) "Cabinet" means the cabinet for human resources or its designee.

(3) *"Retail food establishment" means food service establishment, retail food store or a combination of both within the same establishment.*

(4) "Food service establishment" means any fixed or mobile commercial establishment that engages in the preparation and serving of ready-to-eat foods in portions to the consumer, including, but not limited to: restaurants; coffee shops; cafeterias; short order cafes; luncheonettes; grills; tea rooms; sandwich shops; soda fountains; taverns; bars; cocktail lounges; nightclubs; roadside stands; industrial feeding establishments; private, public or non-profit organizations or institutions routinely serving food; catering kitchens; commissaries; or similar places in which food is prepared for sale or service on the premises or elsewhere with

or without charge. It does not include food vending machines, establishments serving beverages only in single service or original containers or retail food *stores* [~~markets~~] which only cut, slice, and prepare cold-cut sandwiches for individual consumption.

(5) "Retail food store" means any fixed or mobile establishment where food or food products, including prepackaged, labeled sandwiches or other foods to be heated in a microwave or infrared oven at the time of purchase, are offered for sale to the consumer, and intended for off-premises consumption, but does not include establishments which handle only prepackaged, snack-type, non-potentially hazardous foods, markets that offer only fresh fruits and vegetables for sale, food service establishments, food and beverage vending machines, vending machine commissaries or food processing establishments.

(6)[~~(4)~~] "Hotel" means every building or structure kept, used, maintained, advertised, or held out to the public as a place where sleeping accommodations are furnished to the public, and includes motels, tourist homes and similar establishments, but excludes boarding houses and rooming houses.

(7)[~~(5)~~] "Person" means an individual, or a firm, partnership, company, corporation, trustee, association, or any public or private entity owning or operating a hotel or a *retail* food [~~service~~] establishment.

[~~(6) "Temporary food service establishment" means any food service establishment which operates at a fixed location for a period of time, not to exceed fourteen (14) consecutive days.~~]

Section 2. KRS 219.021 is amended to read as follows:

(1) No person shall operate a hotel or *retail* food [~~service~~] establishment without first having obtained a permit to operate from the cabinet. An application for a permit to operate any hotel or *retail* food [~~service~~] establishment shall be made to the cabinet upon forms provided by it and shall contain such information as the cabinet may reasonably require.

(2) Except as otherwise provided in subsection (4) of this section, each application for an annual permit to operate a hotel or *retail* food [~~service~~] establishment shall be accompanied by a fee *which shall be established by the secretary by regulation. The secretary may establish a fee schedule according to the type and size of the establishment but in no case shall the fee exceed one hundred and* [~~of~~] twenty-five dollars *($125)* [~~($25)~~]. [~~Applications for permits to operate temporary food service establishments shall be accompanied by a fee of ten dollars ($10).~~]

(3) Upon receipt of an application for a permit to operate a hotel or *retail* food [~~service~~] establishment accompanied by the required fee, the cabinet shall issue a permit if such establishment meets the requirements of KRS 219.011 to 219.081 and rules and regulations adopted by the cabinet. Provided, however, that *retail* food [~~service~~] establishments and hotels holding a valid and effective permit on January 1, 1973, even though not fully meeting the construction requirements of KRS 219.011 to 219.081 and the regulations adopted pursuant thereto, may continue to be eligible for permit renewal if in good repair and capable of being maintained in a safe and sanitary manner; and further provided there is no change in ownership of the establishment.

(4) Private, parochial, and public school cafeterias or lunchroom facilities through the twelfth (12th) grade and all facilities operated by the cabinet for human resources or corrections cabinet shall be exempt from the payment of fees, but shall comply with all other provisions of KRS 219.011 to 219.081 and the state *retail* food *establishment* [~~service~~] code.

(5) Each annual permit to operate a hotel or *retail* food [~~service~~] establishment unless previously suspended or revoked shall expire on December 31, following its date of issuance, and be renewable annually upon application accompanied by the required fee [~~of twenty-five dollars ($25)~~], except as otherwise provided in subsection (4) of this section and provided the establishment is in compliance with KRS 219.011 to 219.081 and rules and regulations of the cabinet.

(6) Each permit to operate a hotel or *retail* food [~~service~~] establishment shall be issued only for the premises and person named in the application and shall not be transferable. Permits issued shall be posted in a conspicuous place in the establishment.

Section 3. KRS 219.031 is amended to read as follows:

(1) The cabinet or local health department concerned after notice to the applicant or holder of a permit to operate and after an opportunity for a hearing, as provided by rules and regulations of the secretary, is authorized to deny, suspend or revoke a permit to operate in any case where it finds that there has been a failure to comply with the requirements of KRS 219.011 to 219.081 and rules and regulations of the secretary.

(2) The cabinet may carry out the provisions of KRS 219.011 to 219.081 and rules and regulations relating to hotels and *retail* food [~~service~~] establishments through local health departments. Employes of the cabinet and local health departments are hereby granted the power and authority to enter upon the premises of each hotel or *retail* food [~~service~~] establishment at any reasonable time for the purposes set forth in KRS 219.011 to 219.081.

(3) It shall be the duty of each commonwealth's attorney, county attorney, city attorney or attorney general, within his respective jurisdiction, to whom the cabinet or local health department or its agents report any violation of KRS 219.011 to 219.081, to enforce the provisions of KRS 219.011 to 219.081.

(4) Nothing in KRS 219.011 to 219.081 shall be construed as requiring the cabinet or local health

department to report for the institution of proceedings under KRS 219.011 to 219.081, violations of KRS 219.011 to 219.081, whenever the cabinet or local health department concerned believes that the public interest will be adequately served in the circumstances by a suitable written order.

(5) Notwithstanding the existence or pursuit or any other remedy (civil or criminal) the cabinet or local health department concerned may maintain, in its own name, an action to restrain or enjoin any violation of KRS 219.011 to 219.081, irrespective of whether or not there exists an adequate remedy at law.

Section 4. KRS 219.041 is amended to read as follows:

(1) The secretary shall adopt rules and regulations for the effective administration and enforcement of KRS 219.011 to 219.081.

(2) The secretary shall adopt a state *retail* food [~~service~~] code which shall include, among other things, provisions for regulating the issuance, suspension, and revocation of permits to operate; submission of plans for construction and equipment layout including plumbing, lighting, ventilation, water supply, sewage disposal and other facilities; food supply source and protection; health, disease control and cleanliness of personnel; design, construction, installation and cleanliness of equipment and utensils; toilet and hand washing facilities; solid waste disposal and vermin control; and such other matters deemed necessary to insure a safe and sanitary operation of a *retail* food [~~service~~] establishment. Standards for construction, plumbing, lighting and ventilation of fixed *retail* food [~~service~~] establishments shall be effective only if they are approved by the board of housing, buildings, and construction and are included in the uniform state building code, or if they conform to the state plumbing code in the case of plumbing fixtures. Any review of plans for construction, plumbing, lighting and ventilation required before construction of a fixed *retail* food [~~service~~] establishment shall be conducted by the department of housing, buildings and construction.

(3) The secretary shall adopt a state hotel code which shall include, among other things, requirements for the issuance, suspension and revocation of permits to operate; submission of plans for construction and equipment layout; plumbing; lighting; ventilation; water supply; sewage disposal; sanitary standards for operation; and such other matters deemed necessary to insure a safe and sanitary operation of a hotel. Standards for construction, plumbing, lighting and ventilation shall be effective only if they are approved by the board of housing, buildings and construction and are included in the uniform state building code, or if they conform to the state plumbing code in the case of plumbing fixtures. Any review of plans for construction, plumbing, lighting and ventilation required before construction of a hotel shall be conducted by the department of housing, buildings and construction.

[~~(4) The secretary may, by regulation, adopt a schedule of reasonable fees, none of which shall exceed one hundred dollars ($100), to cover the costs of inspection activities of the cabinet under the provisions of KRS 219.011 to 219.081.~~]

Section 5. KRS 219.051 is amended to read as follows:

The state fire marshal or his duly authorized agents or representatives shall administer and enforce all state fire regulations, laws, standards of safety and rules and regulations adopted by the *board* [~~commissioner~~] of housing, buildings and construction relating to hotels and *retail* food [~~service~~] establishments.

Section 6. KRS 219.081 is amended to read as follows:

KRS 219.011 to 219.081 may be cited as the Kentucky Hotel and *Retail* Food [~~Service~~] Establishment Act [~~of 1972~~].

Section 7. KRS 217.015 is amended to read as follows:

For the purpose of KRS 217.005 to 217.215:

(1) The term "secretary" means the secretary of the cabinet for human resources;

(2) The term "cabinet" means the cabinet for human resources or its designee;

(3) The term "person" includes individual, partnership, corporation, and association;

(4) The term "food" means:

(a) Articles used for food or drink for man or other animals;

(b) Chewing gum; and

(c) Articles used for components of any such article;

(5) The term "drug" means:

(a) Articles recognized in the official United States pharmacopoeia, official homeopathic pharmacopoeia of the United States, or official national formulary, or any supplement to any of them; and

(b) Articles intended for use in the diagnosis, cure, mitigation, treatment or prevention of disease in man or other animals; and

(c) Articles (other than food) intended to affect the structure or any function of the body of man or other animals; and

(d) Articles intended for use as a component of any article specified in this subsection but does not include devices or their components, parts, or accessories;

(6) The term "device" (except when used in subsection (12) of this section and in subsection (10) of KRS 217.175, subsection (6) of KRS 217.035, subsection (3) of KRS 217.065, and subsection (3) of KRS

217.095) means instruments, apparatus and contrivances, including their components, parts and accessories, intended:

(a) For use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or other animals; or

(b) To affect the structure or any function of the body of man or other animals;

(7) The term "cosmetic" means:

(a) Articles intended to be rubbed, poured, sprinkled, or sprayed on, introduced into, or otherwise applied to the human body or any part thereof for cleansing, beautifying, promoting attractiveness, or altering the appearance; and

(b) Articles intended for use as a component of any such articles, except that such term shall not include soap;

(8) The term "official compendium" means the official United States pharmacopoeia, official homeopathic pharmacopoeia of the United States, official national formulary, or any supplement to any of them;

(9) The term "label" means a display of written, printed or graphic matter upon the immediate container of any article; and a requirement made by or under authority of KRS 217.005 to 217.215 that any word, statement, or other information appearing on the label shall not be considered to be complied with unless such word, statement, or other information also appears on the outside container or wrapper, if any there be, of the retail package of such article, or is easily legible through the outside container or wrapper;

(10) The term "immediate container" does not include package liners;

(11) The term "labeling" means all labels and other written, printed or graphic matter:

(a) Upon an article or any of its containers or wrappers; or

(b) Accompanying such article;

(12) If an article is alleged to be misbranded because the labeling is misleading, or if an advertisement is alleged to be false because it is misleading, then in determining whether the labeling or advertisement is misleading, there shall be taken into account (among other things) not only representations made or suggested by statement, word, design, device, sound, or in any combination thereof, but also the extent to which the labeling or advertisement fails to reveal facts material in the light of such representations or material with respect to consequences which may result from the use of the article to which the labeling or advertisement relates under the conditions of use prescribed in the labeling or advertisement thereof or under such conditions of use as are customary or usual;

(13) The term "advertisement" means all representations disseminated in any manner or by any means, other than by labeling, for the purpose of inducing, or which are likely to induce, directly or indirectly, the purchase of food, drugs, devices, or cosmetics;

(14) The representation of a drug, in its labeling or advertisement, as an antiseptic shall be considered to be a representation that it is a germicide, except in the case of a drug purporting to be, or represented as, an antiseptic for inhibitory use as a wet dressing, ointment, dusting powder, or such other use as involves prolonged contact with the body;

(15) The term "new drug" means:

(a) Any drug the composition of which is such that such drug is not generally recognized among experts qualified by scientific training and experience to evaluate the safety of drugs, as safe for use under the conditions prescribed, recommended, or suggested in the labeling thereof; or

(b) Any drug the composition of which is such that such drug, as a result of investigations to determine its safety for use under such conditions, has become so recognized, but which has not, otherwise than in such investigations, been used to a material extent or for a material time under such conditions;

(16) The term "contaminated with filth" applies to any food, drug, device, or cosmetic not securely protected from dust, dirt, and as far as may be necessary by all reasonable means, from all foreign or injurious contaminations;

(17) The provisions of KRS 217.005 to 217.215 regarding the selling of food, drugs, devices, or cosmetics, shall be considered to include the manufacture, production, processing, packing, exposure, offer, possession, and holding of any such article for sale; and the sale, dispensing, and giving of any such article, and the supplying or applying of any such articles in the conduct of any food, drug, or cosmetic establishment;

(18) The term "federal act" means the Federal Food, Drug and Cosmetic Act; (Title 21 U.S.C. Sec. 301 et seq.; 52 Stat. 1040 et seq. or amendments thereto);

(19) The term "flour" includes and shall be limited to the foods, commonly known as flour, white flour, wheat flour, plain flour, bromated flour, self-rising flour, self-rising white flour, self-rising wheat flour, phosphated flour, phosphated white flour, and phosphated wheat flour, defined under the federal act;

(20) The term "enriched" as applied to flour, means the addition to flour of vitamins and other nutritional ingredients necessary to make it conform to the definition and standard of "enriched" flour as defined under the federal act;

(21) The terms "bread" and "enriched bread" include, and shall be limited to, the foods commonly

known and described as "white bread," "white rolls," "white buns," "enriched white bread," "enriched rolls," and "enriched white buns," as defined under the federal act;

(22) The term "filled milk" means any milk, cream or skimmed milk, whether or not condensed, evaporated, concentrated, frozen, powdered, dried or desiccated, to which has been added, or which has been blended or compounded with, any fat or oil other than milk fat, except the fat or oil of contained eggs and nuts and the fat or oil of substances used for flavoring purposes only, so that the resulting product is an imitation or semblance of milk, cream, skimmed milk, ice cream mix, ice cream, or frozen desserts, whether or not condensed, evaporated, concentrated, frozen, powdered, dried or desiccated, whether in bulk or in containers, hermetically sealed or unsealed. This definition does not mean or include any milk or cream from which no part of the milk or butter fat has been extracted, whether or not condensed, evaporated, concentrated, powdered, dried, or desiccated, to which has been added any substance rich in vitamins, nor any distinctive proprietary food compound not readily mistaken for milk or cream or for condensed, evaporated, concentrated, powdered, dried, or desiccated milk or cream, if such compound is prepared and designed for the feeding of infants or young children, sick or infirm persons, and customarily used on the order of a physician, and is packed in individual containers bearing a label in bold type that the contents are to be used for those purposes; nor shall this definition prevent the use, blending or compounding of chocolate as a flavor with milk, cream or skimmed milk, desiccated, whether in bulk or in containers, hermetically sealed or unsealed, to or with which has been added, blended or compounded no other fat or oil other than milk or butter fat;

(23) The term "practitioner" means medical or osteopathic physicians, dentists, chiropodists, and veterinarians who are licensed under the professional licensing laws of Kentucky to prescribe and administer drugs and devices; it shall also include optometrists when administering the diagnostic pharmaceutical agents authorized in subsections (13) and (14) of KRS 320.240;

(24) The term "prescription" means a written or oral order for a drug or medicine, or combination or mixture of drugs or medicines, or proprietary preparation, signed or given or authorized by a medical, dental, chiropody or veterinarian practitioner, and intended for use in the diagnosis, cure, mitigation, treatment or prevention of disease in man or other animals;

(25) The term "Federal Meat Inspection Act" means the Federal Meat Inspection Act; (Title 21 U.S.C. Sec. 71 et seq.; 34 Stat. 1260 et seq. including any amendments thereto);

(26) The term "Federal Poultry Products Inspection Act" means the Federal Poultry and Poultry Products Inspection Act. (Title 21 U.S.C. Sec. 451 et seq.; public law 85-172; 71 Stat. 441 including any amendments thereto);

(27) The term "Fair Packaging and Labeling Act" means the Fair Packaging and Labeling Act as it relates to foods and cosmetics (15 U.S.C. Sec. 1451, et seq.), and all amendments thereto;

(28) The term "pesticide chemical" means any substance which, alone, in chemical combination, or in formulation with one or more other substances is an "economic poison" within the meaning of the federal insecticide, fungicide and rodenticide act and subsequent amendments thereto, and which is used in the production, storage, or transportation of raw agricultural commodities;

(29) The term "raw agricultural commodity" means any food in its raw or natural state, including all fruits that are washed, colored, or otherwise treated in their unpeeled natural form prior to marketing;

(30) The term "food additive" means any substance, the intended use of which results or may be reasonably expected to result, directly or indirectly, in its becoming a component or otherwise affecting the characteristics of any food (including any substance intended for use in producing, manufacturing, packing, processing, preparing, treating, packaging, transporting, or holding food; and including any source of radiation intended for any such use) if such substance is not generally recognized, among experts qualified by scientific training and experience to evaluate its safety, as having been adequately shown through scientific procedures (or, in the case of a substance used in a food prior to January 1, 1958, through either scientific procedures or experience based on common use in food) to be safe under the conditions of its intended use; except that such term does not include:

(a) A pesticide chemical in or on a raw agricultural commodity; or

(b) A pesticide chemical to the extent that it is intended for use or is used in the production, storage, or transportation of any raw agricultural commodity; or

(c) A color additive; or

(d) Any substance used in accordance with a sanction or approval granted prior to the enactment of the food additives amendment of 1958, pursuant to the federal act; the Poultry Products Inspection Act (21 U.S.C. Sec. 451 et seq.) or the Meat Inspection Act of 1907 and subsequent amendments thereto;

(31) (a) The term "color additive" means a material which:

1. Is a dye, pigment, or other substance made by a process of synthesis or similar artifice, or extracted, isolated, or otherwise derived, with or without intermediate or final change of identity, from a vegetable, animal, mineral, or other source; or

2. When added or applied to a food, drug, or cosmetic, or to the human body or any part thereof, is capable (alone or through reaction with other substance) of imparting color thereto; except that such term

does not include any material which has been or hereafter is exempted under the federal act;

(b) The term "color" includes, but is not limited to black, white and intermediate grays;

(c) Nothing in paragraph (a)1. of this subsection shall be construed to apply to any pesticide chemical, soil or plant nutrient, or other agricultural chemical solely because of its effect in aiding, retarding, or otherwise affecting, directly or indirectly the growth or other natural physiological process of produce of the soil and thereby affecting its color, whether before or after harvest.

(32) The term "Federal Environmental Pesticide Control Act of 1972" means the Federal Environmental Pesticide Control Act of 1972 (Public Law 92-516) and all amendments thereto;

(33) "Salvage distributor" means a person who engages in the business of distributing, peddling, or otherwise trafficking in any salvaged merchandise;

(34) "Salvage processing plant" means an establishment operated by a person engaged in the business of reconditioning, labeling, relabeling, repackaging, recoopering, sorting, cleaning, culling or who by other means salvages, sells, offers for sale, or distributes for human or animal consumption or use any salvaged food, beverage, including beer, wine and distilled spirits, vitamins, food supplements, dentifices, cosmetics, single-service food containers or utensils, containers and packaging materials used for foods and cosmetics, soda straws, paper napkins, or any other product of a similar nature that has been damaged or contaminated by fire, water, smoke, chemicals, transit, or by any other means*;*

(35) "Food processing establishment" means a commercial establishment in which food is manufactured, processed or packaged for human consumption, but does not include retail food establishments; and

(36) "Food storage warehouse" means an establishment in which food is stored for subsequent distribution.

Section 8. KRS 217.125 is amended to read as follows:

(1) The authority to promulgate regulations for the efficient administration and enforcement of KRS 217.005 to 217.215 is hereby vested in the secretary. The secretary may make the regulations promulgated under KRS 217.005 to 217.215 consistent with those promulgated under the federal act and the fair packaging and labeling act. Regulations promulgated may require permits to operate and include provisions for regulating the issuance, suspension, and reinstatement of permits.

(2) *No person shall operate a food processing establishment, food storage warehouse, salvage distributor or salvage processing plant without first having obtained an annual permit to operate from the cabinet. An application for such permit to operate shall be made to the cabinet upon forms provided by it and shall be accompanied by a fee which shall be established by the secretary by regulation. The secretary may establish a fee schedule according to type and size of the establishment, but in no case shall the fee exceed two hundred dollars ($200).* [~~The secretary shall have authority to establish by regulation a schedule of reasonable fees, not to exceed twenty dollars ($20.00) per inspector hour plus travel costs pursuant to state regulations for travel reimbursement, to cover the costs of inspections of food manufacturing plants, food storage warehouses, retail food markets, salvage distributors and salvage processing plants for the purpose of determining compliance with the requirements of KRS 217.025 to 217.390.~~] Fees collected by the *cabinet* [~~secretary~~] shall be deposited in the state treasury and credited to a revolving fund account for use by the cabinet in carrying out the provisions of KRS 217.025 to 217.390 and the regulations adopted by the secretary pursuant thereto. The balance of said account shall lapse to the general fund at the end of each biennium.

(3) The cabinet may carry out the provisions of KRS 217.005 to 217.215 through local health departments.

HB 880, AN ACT relating to exploitation of adults.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 209.020 is amended to read as follows:

As used in this chapter unless the context otherwise requires:

(1) "Secretary" means the secretary of the cabinet for human resources.

(2) "Cabinet" means the cabinet for human resources.

(3) "Department" means the department for social services of the cabinet for human resources.

(4) "Adult" means a person eighteen (18) years of age or older or a married person without regard to age, who because of mental or physical dysfunctioning, or who is the victim of abuse or neglect inflicted by a spouse, is unable to manage his own resources, carry out the activities of daily living, or protect himself from neglect, hazardous or abusive situations without assistance from others and who has no available, willing, and responsibly able person to assist him and may be in need of protective services.

(5) "Protective services" means agency services undertaken with or on behalf of an adult in need of protective services who is being abused, neglected, or exploited. These services may include, but are not

limited to conducting investigations of complaints of possible abuse, neglect, or exploitation to ascertain whether or not the situation and condition of the adult in need of protective services warrants further action; social services aimed at preventing and remedying abuse, neglect, and exploitation; and services directed toward seeking legal determination of whether or not the adult in need of protective services has been abused, neglected or exploited and to ensure that he obtains suitable care in or out of his home.

(6) "Caretaker" means an individual or institution who has the responsibility for the care of the adult as a result of family relationship, or who has assumed the responsibility for the care of the adult person voluntarily, or by contract, or agreement.

(7) "Abuse or neglect" means the infliction of physical pain, injury, or mental injury, or the deprivation of services by a caretaker which are necessary to maintain the health and welfare of an adult, or a situation in which an adult, living alone, is unable to provide or obtain for himself the services which are necessary to maintain his health or welfare or a situation in which a person inflicts physical pain or injury upon a spouse or deprives a spouse of reasonable services necessary to maintain the health and welfare of his spouse.

(8) "Exploitation" means the improper use of *an adult or an adult's resources by a caretaker or other person for the profit or advantage of the caretaker or other person* [~~funds by a caretaker which have been paid by a governmental agency to an adult or to the caretaker for the use or care of the adult~~].

(9) "Investigation" shall include, but is not limited to, a personal interview with the individual reported to be abused, neglected, or exploited. When abuse, or neglect is allegedly cause of death, a coroner's or doctor's report shall be examined as part of the investigation.

(10) "Emergency" means that an adult is living in conditions which present a substantial risk of death or immediate and serious physical harm to himself or others.

(11) "Emergency protective services" are protective services furnished an adult in an emergency.

(12) "Protective placement" means the transfer of an adult from his present living arrangement to another.

(13) "Court" means the circuit court or the district court if no judge of that circuit court is present in the county.

HB 995, AN ACT relating to personal needs allowances.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

(1) As used in this Act "personal needs allowance" means any funds made available by the cabinet for human resources to a resident of a personal care home, family care home, intermediate care facility, skilled nursing facility, or intermediate care facility for the mentally retarded and developmentally disabled for clothing and other needs as determined by the resident.

(2) The standard for payment for any state supplementation made for residents of family care homes and personal care homes, when provided in accordance with KRS 205.245, shall include a personal needs allowance of at least forty dollars ($40) per month.

(3) The personal needs allowance hereby authorized for individuals residing in an intermediate care facility, skilled nursing facility, or intermediate care facility for the mentally retarded and developmentally disabled, and whose cost of care qualifies for reimbursement for medical assistance shall be at least forty dollars ($40) per month.

SECTION 2. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

The secretary of the cabinet for human resources shall make provision for a random, annual audit of fifteen percent (15%) of the personal care homes, family care homes, skilled nursing facilities, intermediate care facilities and intermediate care facilities for the mentally retarded and developmentally disabled in the Commonwealth, to ensure neither the institution nor any other person responsible for the financial needs of the resident abuse the funds provided by the cabinet for human resources for the resident's personal needs allowance as authorized in Section 1 of this Act.

HCR 89, A CONCURRENT RESOLUTION directing the Legislative Research Commission, through the Interim Joint Committee on Health and Welfare, to study the provision of community-based mental health services in Kentucky.

WHEREAS, according to the President's Commission on Mental Health (1978), at least ten percent (10%) of the population, or 300,000 persons in Kentucky, need mental health services; and

WHEREAS, according to the Kentucky Mental Health Coalition, mental health services in rural areas in Kentucky are extremely limited; and

WHEREAS, according to a study conducted by the Washington Business Group on Health, the early utilization of out-patient mental health services often produces an "offset effect" which leads, not only to reductions in more costly health and social services utilization, job absenteeism, and employer health insurance premiums, but also to increased employe productivity and employe moral; and

WHEREAS, the lack of competition among qualified mental health providers results in limiting the consumers' choice of qualified mental health providers and in a majority of services being provided at the maximum cost;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. The Legislative Research Commission is directed, through the Interim Joint Committee on Health and Welfare, to study the provision of community-based mental health services in Kentucky.

Section 2. The study should include, but not necessarily be limited to: measuring the regional availability of community-based mental health services and qualified mental health providers; identifying the number of persons who are in need of mental health services as compared to the number of those who actually receive such services and the reasons therefor; identifying the cost and source of funding for mental health services provided; and comparing the reimbursement plans for mental health services in Kentucky to plans in other states.

Section 3. The Interim Joint Committee on Health and Welfare shall report its findings and recommendations to the Legislative Research Commission not later than January 1, 1985.

Section 4. Staff services to be utilized in completing this study are estimated to be $15,000. These services shall be provided from the legislative research commission budget and are subject to the limitations and other research responsibilities of the commission.

HCR 120, A CONCURRENT RESOLUTION concerning the Social Security Disability Insurance Benefit Program and Supplemental Security Income Program for Disabled Persons, urging the Cabinet for Human Resources to improve the fairness of the administration of these programs and directing the Legislative Research Commission, through the Interim Joint Committee on Health and Welfare, to study any action which should be taken by the Commonwealth to protect its disabled citizens.

WHEREAS, numerous citizens of Kentucky have had their disability benefits terminated since 1981 or are having difficulty in getting their claims promptly and fairly considered; and

WHEREAS, the U.S. Social Security Administration has terminated the benefits of individuals previously determined to be disabled without evidence of an improvement in their medical condition; and

WHEREAS, nationally two-thirds of those terminated who have appealed to an administrative law judge have had their disability benefits restored; and

WHEREAS, it is the announced policy of the U.S. Social Security Administration to ignore the controlling case law of the Sixth Circuit Court of Appeals, which requires that the opinion of a treating physician be given more weight than the opinion of a consulting physician who conducts examinations for the Social Security Administration; and further that in some cases a claimant's testimony of pain can provide grounds for a finding of disability and that a combination of impairments can be disabling even when they are not individually disabling; and

WHEREAS, the Division of Disability Determinations of the Kentucky Cabinet for Human Resources is responsible for the fair and lawful determination of persons medically eligible for the disability programs; and

WHEREAS, the majority of states have acted to protect their disabled citizens and Kentucky should also respond to insure the fairness of the administration of the disability programs;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That there be a moratorium on further terminations of disability benefits in Kentucky until such time as the United States Congress enacts a comprehensive reform of the disability program such as that currently embodied in Congressional bills H. R. 4170 and S. 476.

Section 2. The Kentucky Cabinet for Human Resources is urged to adopt and utilize a regulation providing that recipients of disability benefits cannot have those benefits terminated unless there is substantial evidence that the recipient's medical condition has improved or was not as serious as first supposed.

Section 3. The Kentucky Cabinet for Human Resources is urged to adopt and utilize a regulation requiring that the decisions of the Division of Disability Determinations be consistent with the controlling case law of the Sixth Circuit Court of Appeals concerning the disability programs.

Section 4. The Legislative Research Commission is directed, through the Interim Joint Committee on Health and Welfare, to study the federal and state administration of the Social Security Disability Insurance Benefit Program and the Supplemental Security Income Program for Disabled Persons.

Section 5. The study should include, but not necessarily be limited to, the identification of any action which needs to be taken by the Commonwealth to protect its disabled citizens and to achieve greater fairness in the administration of the disability programs.

Section 6. The Interim Joint Committee on Health and Welfare shall report its findings and recommendations to the Legislative Research Commission not later than November 30, 1984.

Section 7. Staff services to be utilized in completing this study are estimated to be $5,000. These services shall be provided from the regional commission budget and are subject to the limitations and other research responsibilities of the commission.

Section 8. The Clerk of the House of Representatives is directed to send copies of this resolution to each member of the Kentucky Congressional delegation.

The Committee Amendment No. 1 to **HCR 120** is as follows:

Amend printed copy of **HCR 120,** on page 2, line 1, by deleting the word "That" and inserting in lieu thereof the words "It is urged";

And on line 2, by inserting after the word "moratorium" the words "by the Kentucky Cabinet for Human Resources".

The Committee on Natural Resources and Environment reported **HB 677, HB 960** with Committee Amendment attached thereto, **HB 987,** and **HCR 125** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 677, AN ACT relating to on-site sewage disposal systems.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 211.350 is amended to read as follows:

(1) The cabinet shall regulate the construction, installation, or alteration of on-site sewage disposal systems except for such systems that have a surface discharge.

(2) No person, firm, or corporation shall construct, install, alter or cause to be constructed, installed, or altered, any on-site sewage disposal system subject to regulation by the cabinet without having first obtained an on-site sewage disposal permit from the cabinet. Such construction, installation or alteration shall be performed *by a person licensed pursuant to KRS Chapter 318 and shall be performed* in accordance with KRS 318.010 and KRS 318.030.

(3) No person, firm, or corporation shall use or continue to use or permit the use or continued use of any on-site sewage disposal system that is constructed, installed, or altered under an on-site sewage disposal permit where the cabinet through a duly authorized inspector, employe or agent finds that the system was not constructed, installed, or altered in conformance with such permit and regulations issued by the cabinet.

(4) All applications for on-site sewage disposal permits shall be accompanied by plans and specifications for the proposed system, results of an approved percolation test in the area where the proposed system is to be located and additional soils and other information as directed by the cabinet by regulation.

(5) The cabinet shall fix a reasonable schedule of fees for the functions performed by the cabinet relating to the regulation of on-site sewage disposal systems. Such fees shall be designed to fully cover the cost of the service performed but shall not exceed the cost of the service performed. Fees payable to the cabinet shall be paid into the state treasury and credited to a trust and agency fund to be used by the cabinet in carrying out its responsibilities relating to the regulation of on-site sewage disposal systems. No part of the fund shall revert to the general fund of the Commonwealth.

(6) Any regulation relating to on-site sewage disposal that is in effect on July 15, 1982, shall remain in effect until altered by the secretary. The secretary may issue additional regulations necessary to carry out the purposes of this section.

(7) All records necessary to properly carry out this section shall be transferred from the department

of housing, buildings, and construction to the cabinet for human resources.

HB 960, AN ACT relating to low-level radioactive waste disposal.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO READ AS FOLLOWS:

There is hereby created the Maxey Flats commission on site management and decommissioning. The objective of the commission shall be to stabilize and decommission the Maxey Flats low-level radioactive waste disposal site as expeditiously as possible in order to place the facility in such a condition that active ongoing maintenance is eliminated and only surveillance and monitoring are required as set forth in KRS 211.898.

SECTION 2. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO READ AS FOLLOWS:

(1) The commission shall have five (5) members who shall be appointed by the governor. The governor shall appoint individuals with the background and ability to manage, stabilize, and decommission Maxey Flats in a safe and economical manner. The individuals appointed shall have experience, training, and education in geology, hydrology, engineering, physics, radiation engineering and any other field of expertise necessary to the safe and efficient stablilization and decommissioning of Maxey Flats.

(2) The commission shall employ an executive director who has the technical skills to carry out the duties and directives of the commission.

SECTION 3. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO READ AS FOLLOWS:

The commission shall have the following duties:

(1) To undertake the management of the Maxey Flats low-level radioactive waste disposal site;

(2) To develop an approach for the decommissioning of the facility as soon as possible, with a minimum number of employes and with a minimum emphasis on studies;

(3) To develop and implement a decommissioning approach which will provide an economic payback on the state's capital funds, over the period of time the approach is used, of a three (3) to one (1) ratio when compared to the present approach. In determining the payback ratio on the state money to be invested, the changing value of the dollar shall be accounted for;

(4) To actively seek federal funds and technical assistance in site management and decommissioning;

(5) To report to the legislative research commission no later than July 1, 1985, the decommissioning strategy selected, the capital cost and ongoing cost over the period of time the strategy is to be used and the source of funds to be used;

(6) To coordinate with the department of environmental protection of the natural resources and environmental protection cabinet the shifting of responsibilities of site management and decommissioning from the department to the commission. The department and commission shall cooperate in the transfer of responsibilities to insure that the health and safety of the citizens of the Commonwealth is not threatened.

SECTION 4. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO READ AS FOLLOWS:

All funds appropriated for Maxey Flats site management and decommissioning in the 1984-1986 biennium, and all other funds from any other source which are to be used at Maxey Flats in the 1984-1986 biennium, are transferred to the commission.

SECTION 5. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO READ AS FOLLOWS:

The commission members shall serve without pay but shall be reimbursed for all commission related expenses. The commission shall determine the salary of the executive director and may hire employes as necessary but within the mandate of this Act to hire a minimum number of employes.

SECTION 6. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO READ AS FOLLOWS:

The cabinet for human resources shall provide offices and office equipment for the use of the commission.

Section 7. This Act shall be repealed as of July 1, 1986.

The Committee Amendment No. 1 to **HB 960** is as follows:

Amend printed copy of **HB 960,** on page 1, by deleting after the enacting clause all language in Sections 1 and 2;

On page 2, line 4, by inserting after the word "commission." the following:

"Section 1. KRS 211.898 is amended to read as follows:" and by deleting the following:

"SECTION 3. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO READ AS FOLLOWS:"; and

On page 2, line 6, by inserting after the word "FOLLOWS:" the following:

(1) The natural resources and environmental protection cabinet shall proceed toward the stabilization and decommissioning of any nuclear waste facility owned by the Commonwealth on July 15, 1980, as expeditiously as is reasonably possible in order to place the facility in such a condition that active ongoing maintenance is eliminated and only surveillance and monitoring are required.

(2)"; and

On page 2, line 7, by inserting after the first "*The*" on the page the following: "*cabinet*" and by deleting the following: "*commission*"; and

On page 2, line 7, by inserting after the word "*duties:*" the following:

"*(1) The cabinet shall employ a special projects manager who has the technical skills to carry out the duties and directives of the cabinet;*"; and

On page 2, line 8, by deleting the number "*(1)*" and by inserting the number "*(2)*" before the words "*To undertake*" and by renumbering the remaining subsections accordingly; and

On page 3, line 1, by deleting after the word "*used;*" the following: all the language on lines 2 through 26; and

On page 4, by deleting all the language on lines 1, 2, 3, and 4.

HB 987, AN ACT relating to state parks.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 148 IS CREATED TO READ AS FOLLOWS:

(1) The department of parks may assess a fee for the use of any lock on a navigable waterway operated by the Commonwealth and formerly under jurisdiction of the United States Army Corps of Engineers and pursuant to completion of negotiations authorized by KRS 151.580.

(2) The fee shall not exceed five dollars ($5) each time the lock gates are used regardless of the number of craft passing through said lock.

SECTION 2. A NEW SECTION OF KRS CHAPTER 148 IS CREATED TO READ AS FOLLOWS:

(1) No person shall attempt to utilize any lock on a navigable waterway operated by the Commonwealth without payment of the fee prescribed by Section 1(2) of this Act. At the time any person attempts to utilize the lock, the fee must be paid to the lockmaster or the employe who provides the service of opening the lock.

(2) The months, days and hours of lock operation shall be prescribed by the department of parks.

(3) Each Monday following a period of lock operation, those individuals responsible for collection of fees shall remit all moneys collected to the department in a manner prescribed by the department.

Section 3. KRS 148.021 is amended to read as follows:

(1) The department of parks shall exercise all administrative functions of the state relating to the operation of state parks, shrines, monuments, and museums except those allocated to the historical society.

(2) The department may request acquisition, subject to the provisions of KRS Chapters 42, 45, 56, and the provisions made in this chapter, of lands by purchase, lease or otherwise, on which to operate state parks.

(3) The department may improve said parks by constructing and equipping improvements or

facilities in said parks.

(4) The department may operate said parks, and fix fees and charges for the use of said parks and the improvements and facilities constructed therein, and provide for the collection of said fees and charges and the proper accounting therefor.

(5) The department of parks is authorized to enter into any agreement with the breaks interstate park commission for the operation of any facilities in the breaks interstate park.

(6) The department of parks is authorized to accept, for deposit in a trust and agency fund account in accordance with KRS 45.253, on behalf of the state any grant or contribution, federal or otherwise, to assist in meeting the cost of carrying out the functions assigned to the department of parks.

(7) *The department of parks may acquire, lease or otherwise procure, upon the approval of the finance and administration cabinet, property it deems necessary to promote the recreational utility of any state park acquired through negotiations under KRS 151.580. Such property may be used to provide services for boaters, including, but not limited to, the availability of fuel, boat docks, or boat ramps.*

(8) Notwithstanding any provision in KRS Chapter 41, 45, or 47 to the contrary, there may be established separate cash funds and depositories at each state park from which immediate payment of refunds may be made to a patron or guest of such state park of any unearned money advanced or paid by such guest or patron. The department may accept from a guest or patron an amount which includes the fee for the service rendered plus a gratuity for the waitress or other designated person and remit the gratuity directly from the depository or cash fund to the designated recipient thereof. Such funds or depositories shall be governed by regulations established by the department of parks and approved by the finance and administration cabinet.

Section 4. KRS 148.028 is amended to read as follows:

(1) The department of parks, may, through its commissioner, determine the need for lands or waters, or any interest or estate therein, located in Kentucky, having scenic beauty, material or recreational utility, historic interest, natural phenomena or other unusual features which should be acquired, preserved and maintained as a part of the state park system of Kentucky. If a determination is made that any such property or interest therein should be acquired for use in the state park system, the finding of such determination by the commissioner of parks shall be conveyed in writing to the finance and administration cabinet. Such written notification shall apprise the finance and administration cabinet of the interest sought to be acquired and shall serve as a request that the finance and administration cabinet proceed, pursuant to the powers vested in the finance and administration cabinet by KRS Chapters 42, 45 and 56, to acquire the property or interest therein sought for use of the department of parks.

(2) The department of parks shall acquire an interest in any property obtained as a result of negotiations completed pursuant to KRS 151.580 for inclusion in the state park system. Written notification from the finance and administration cabinet shall apprise the department of the completion of negotiation and the property or interest therein acquired.

HCR 125, A CONCURRENT RESOLUTION directing the Department of Fish and Wildlife Resources to construct a fish ladder at the dam of the Hyden-Leslie County Water District on the Middle Fork of the Kentucky River.

WHEREAS, the propagation of certain species of fish would be enhanced on the Middle Fork of the Kentucky River by the construction of a fish ladder; and

WHEREAS, the sportsmen of that region of Kentucky are entitled to the best fishing that is reasonably available;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Department of Fish and Wildlife Resources construct a fish ladder at the dam of the Hyden-Leslie County Water District on the Middle Fork of the Kentucky River.

Section 2. That copies of this resolution be sent to the Department of Fish and Wildlife Resources and to the Hyden-Leslie County Water District.

The Committee on State Government reported **HJR 92** and **SB 132** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HJR 92, A JOINT RESOLUTION designating the Louisville Ballet Company as the official ballet company of the Commonwealth of Kentucky.

WHEREAS, the Louisville Ballet Company is the only professional repertory ballet company in Kentucky; and

WHEREAS, the company is in its thirty-second season of award-winning repertoire and is known worldwide for its excellence; and

WHEREAS, the Louisville Ballet Company was named one of the top three ballet companies in the nation by the National Association for Repertory Ballets; and

WHEREAS, the Louisville Ballet Company has performed many world premiere ballets; and

WHEREAS, the Louisville Ballet Company tours nationwide every year and was the first ballet company in the nation with which the world-renowned dancer Mikhail Baryshnikov performed; and

WHEREAS, for the past five years the Louisville Ballet Company has had the highest per capita subscription base of any ballet company in the nation; and

WHEREAS, the twenty-one member ballet company attracts talented dancers from all over the United States; and

WHEREAS, the Louisville Ballet Company is an estimable contribution to education and the arts in the Commonwealth;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the General Assembly recognizes the Louisville Ballet Company for the esteem it brings to all Kentuckians by designating it the official ballet company of the Commonwealth and bestowing upon it all privileges due such honor.

Section 2. That a copy of this resolution be dispatched to the Louisville Ballet Company.

SB 132, AN ACT relating to voter purgation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 116 IS CREATED TO READ AS FOLLOWS:

Immediately upon receipt of data on the death of Kentucky residents, which is required by KRS 213.190 to be furnished by the cabinet for human resources, the county clerk shall make such data available to the county board of elections, to be used by the board to purge the county voter registration roster.

Section 2. KRS 116.125 is amended to read as follows:

(1) The county board of elections may, upon information known to it or furnished to it by any citizen, delete from the county register the name of any voter who is no longer properly registered and notify the voter by mail of its action. *The county board of elections shall delete from the county register the name of any voter who is included in the data on deceased Kentucky residents furnished by the cabinet for human resources to the county clerk.* If no protest is filed by the voter within thirty (30) days, his name shall be purged. If protest is filed, the county board shall hear the matter at its next regular monthly meeting and either retain or purge the voter's name. If any name is purged, the county board shall inform the state board of its action.

(2) If the name of any voter is purged from the county register as provided by subsection (1) of this section at such time that the registration period is closed for a particular election, and if the voter contends that actual notice of the deletion of his name from the register was not received, such voter shall be allowed to vote as provided by KRS 117.245.

Section 3. KRS 117.025 is amended to read as follows:

(1) The state board of elections shall appoint an executive director, who shall be the chief administrative officer for the board. The board shall also appoint an assistant to the director, who shall be of a different political party than the director. The salaries of the director and his assistant shall be set by the board.

(2) The state board of elections shall employ, on a bipartisan basis, a staff sufficient to carry out the duties assigned to the board, including such legal counsel as is deemed necessary by the board.

(3) The state board shall:

(a) Maintain a complete roster of all qualified registered voters within the state by county and precinct;

(b) Delete the name of any voter *whose name is included in those purged by a county board of elections by reason of death and furnished to it by the county boards of elections. It shall further delete the name of any voter* who is deceased or who is no longer qualified to vote in the precinct where currently registered as may be provided by law, or who has failed to vote at any primary or regular election for four (4) consecutive years. *The state board shall* [~~, and~~] notify the *county* [~~local~~] boards of *elections* [~~election~~] and the voter of such action and the reason therefor, by the tenth (10th) of the month following such action, *except when the voter was purged by reason of death*;

(c) Enter names on the various registration rosters as they are reported by the county boards of *elections* [~~election~~];

(d) Furnish each county clerk with a master list of all registered voters in the county, together with three (3) lists of all registered voters in each precinct of the county, at least five (5) days prior to each election;

(e) Maintain all information furnished to the state board relating to the inclusion or deletion of names from the rosters for four (4) years;

(f) Furnish the state central executive committee of each political party at a reasonable cost qualifying under KRS 118.015 monthly data of all additions, deletions and changes of registration in each precinct of each county and the state central executive committee shall furnish a county listing to each of the county executive committees of each political party;

(g) Purchase, lease or contract for the use of such equipment as may be necessary to properly carry out its duties under the provisions of this chapter and KRS chapters 116 and 118;

(h) Secure information from any source which may assist the board in carrying out the purposes of this section;

(i) Furnish at a reasonable price any and all precinct lists to duly qualified candidates, political party committees or officials thereof, or any committee that advocates or opposes an amendment or public question. The state board of elections may also furnish the precinct lists to other persons at the board's discretion, at a reasonable cost, provided, however the board shall not furnish precinct lists to persons who intend to use such lists for commercial use.

Section 4. KRS 213.190 is amended to read as follows:

(1) The cabinet for human resources shall, upon request, furnish any applicant a certified copy of the record of any birth, death, or other record registered with such cabinet as provided by law when the cabinet is satisfied that the applicant has a direct, tangible and legitimate interest in the information or record requested. The applicant shall pay a reasonable fee set by regulation promulgated by the secretary of the cabinet for human resources which shall not exceed four dollars ($4.00) for a copy of a birth, death, or other certificate or search of the files, if no copy is found. Any such certified copy shall be prima facie evidence of the facts therein stated.

(2) No fee or compensation shall be allowed or paid for furnishing certificates of birth or death required in support of any claim against the government for compensation, insurance, back pay or other allowances of any person who has at any time served as a member of the army, navy, marine corps or air force of the United States.

(3) On January 1 and July 1 of each year, beginning in 1985, the cabinet for human resources shall furnish to each county clerk the name, address, birth date, sex, race and social security number of each resident of that county who has died since the date the previous data was submitted. The data submitted on January 1, 1985, shall include deaths since July 1, 1984. Such data shall include only those persons who were over the age of eighteen (18) years at the date of death. No fee or compensation shall be allowed for furnishing such lists.

Calendar

HB 696, HB 682, HB 722, HB 724, HB 843, SB 17, SB 54, SB 173, SJR 23, HB 901, HB 914, HB 916, HB 1007, HB 1011, SB 84, SB 255, SB 308, HB 924, SB 105, HB 787, SB 26, SB 27, SB 259, SB 292, HB 931, HB 522, HB 857, HB 877, HB 888, HB 991, HB 1001, HB 1015, HJR 70, HJR 99, HCR 121, SB 41, SB 152, and **SB 280** taken from the Calendar and ordered read at length for the second time. Representative LeMaster moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Orders of the Day

Representative LeMaster moved that the rules be suspended to communicate with the members. Agreed.

Representative LeMaster announced a majority caucus for 2:00 p.m., Monday, Room 109.

HB 735, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cyrus moved that **HB 735** be passed.

Representative Harper moved the adoption of the Floor Amendment No. 1 to **HB 735**.

On the roll call the vote was yeas 32-Caldwell, Craddock, Dawahare, Ellington, Ford, Foster, Freibert, Fryman, Harper, Heleringer, Holbrook, Holloway, R. Jones, Kidd, Layman, Lefevers, List, McElroy, McNutt, Moore, Noland, Overstreet, Patrick, Pearman, Rattliff, Reinhardt, Richards, P. Richardson, Robinson, B. Smith, Todd, Turner. Nays 50-Barrows, Bennett, Blandford, Brinkley, Bronger, Brown, Burch, Burnette, Clapp, L. Clark, P. Clark, Clarke, Cline, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Farrow, Gedling, Gray, Hancock, Handy, Hines, Johnson, T. Jones, Kenton, Lile, Little, Long, Lundergan, Maggard, Mann, Meyer, Moberly, Nett, Perkins, Priddy, Rapier, B. Richardson, Riner, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Williams, Yates.

Floor Amendment No. 1 to **HB 735** was rejected.

Representative Gray moved the adoption of the Floor Amendment No. 3 to **HB 735**. Agreed.

Representative Cyrus moved that **HB 735**, as amended, be passed.

On the roll call the vote was yeas 84-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Pearman, Perkins, Priddy, Rapier, Reinhardt, Richards, B. Richardson, Riner, Seum, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 9-Endicott, Farrow, Ford, Foster, Freibert, Fryman, Moore, Robinson, B. Smith.

HB 735, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 735**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **SCR 6** had been examined and found correctly enrolled. Said Bill read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time-10:45 a.m.)

Orders of the Day (continued)

SB 148, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Lundergan moved the adoption of the Floor Amendment No. 1 to **SB 148**.

On the roll call the vote was yeas 43-Allen, Arnold, Brinkley, Bruce, Burch, Clapp, Craddock, Curd, Cyrus, Ellington, Endicott, Ford, Freibert, Gedling, Gray, Guenthner, Holbrook, Holloway, Layman, List, Lundergan, Maggard, McBee, McElroy, McNutt, Moberly, Morris, Noland, Overstreet, Pearman, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, B. Smith, Stone, Thomas, Thomason, Turner, Van Horn, Worthington. Nays 35-Barrows, Bendl, Bennett, Blevins, Bronger, Brown, Caldwell, L. Clark, Cline, Cowan, Crupper, Dunn, Farrow, Foster, Hancock, Handy, Heleringer, Hines, Johnson, R. Jones, Kidd, Lile, Little, Meyer, Moore, Nett, Noe, O'Brien, Perkins, Priddy, Seum, F. Smith, Stumbo, Williams, Yates.

Floor Amendment No. 1 to **SB 148** was adopted.

Representative Lundergan moved that **SB 148**, as amended, be passed.

On the roll call the vote was yeas 74-Allen, Arnold, Bennett, Blandford, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, P. Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Holbrook, Holloway, Johnson, Layman, Lefevers, LeMaster, List, Little, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Morris, Nett, Noe, Noland, Overstreet, Pearman, Perkins, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington. Nays 19-Barrows, Bendl, Bronger, L. Clark, Cowan, Dunn, Ellington, Heleringer, R. Jones, Lile, Long, Meyer, Moore, O'Brien, Patrick, Priddy, Seum, Williams, Yates.

SB 148, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 148**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 108**, **HB 574**, and **HB 707** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time-11:00 a.m.)

HB 108, **HB 574**, and **HB 707** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Orders of the Day (continued)

HB 743, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative O'Brien moved the adoption of the Committee Amendment No. 1 to **HB 743**. Agreed.

Representative O'Brien moved that **HB 743**, as amended, be passed.

On the roll call the vote was yeas 92-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Noe, Noland, O'Brien, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 743, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 743**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 729, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Mann moved the adoption of the Floor Amendment No. 1 to **HB 729**. Agreed.

Representative Mann moved that **HB 729**, as amended, be passed.

On the roll call the vote was yeas 83-Allen, Arnold, Barrows, Bendl, Bennett, Blevins, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Hancock, Handy, Harper, Head, Hines, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Noe, O'Brien, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, White, Williams, Worthington, Yates. Nays 9-Blandford, Brown, Fryman, Holbrook, Holloway, Moore, Noland, Patrick, Turner.

HB 729, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 729,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 612, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Thomas moved the adoption of the Floor Amendment No. 1 to **HB 612.** Agreed.

Representative Thomas moved that **HB 612,** as amended, be passed.

On the roll call the vote was yeas 68-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Burch, Caldwell, L. Clark, P. Clark, Craddock, Curd, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Foster, Freibert, Gedling, Gray, Guenthner, Handy, Harper, Head, Hines, Holbrook, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moore, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Richards, B. Richardson, Riner, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Yates. Nays 18-Allen, Brown, Clarke, Cline, Crupper, Cyrus, Farrow, Ford, Fryman, Hancock, Moberly, Noland, Reinhardt, P. Richardson, Robinson, Todd, Turner, Worthington.

HB 612, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 612,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 770 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Noe moved that **HB 770** be passed.

On the roll call the vote was yeas 88-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Priddy, Rapiers, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 770 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 770** was passed be reconsidered and said motion be placed on the table. Agreed.

Speaker Pro Tempore Blandford presiding.

HB 854 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cyrus moved that **HB 854** be passed.

On the roll call the vote was yeas 89-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, Clarke, Cline, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 854 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 854** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 889 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Richards moved that **HB 889** be passed.

On the roll call the vote was yeas 86-Allen, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Morris, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 889 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 889** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 939, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Little moved the adoption of the Committee Amendment No. 1 to **HB 939**. Agreed.

Representative Little moved that **HB 939**, as amended, be passed.

On the roll call the vote was yeas 41-Arnold, Barrows, Bendl, Bennett, Blevins, Brinkley, Bronger, Brown, Bruce, L. Clark, P. Clark, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Dunn, Endicott, Gray, Hancock, Johnson, Kenton, LeMaster, Little, Maggard, McBee, McElroy, Meyer, Moberly, O'Brien, Perkins, Priddy, P. Richardson, Seum, B. Smith, Stone, Stumbo, Thomas, White, Yates. Nays 42-Allen, Burch, Burnette, Caldwell, Clarke, Cline, Cowan, Ellington, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Harper, Head, Heleringer, Holbrook, R. Jones, T. Jones, Layman, Lefevers, Lile, List, Long, Mann, McNutt, Morris, Noland, Overstreet, Pearman, Rapier, Rattliff, Reinhardt, Riner, Robinson, F. Smith, Thomason, Todd, Turner, Van Horn, Williams.

HB 939, as amended, was defeated.

HB 111, with Committee Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cowan moved the adoption of the Committee Amendment No. 1 to **HB 111**. Agreed.

Representative Cowan moved the adoption of the Committee Amendment No. 2 to **HB 111**. Agreed.

Representative Cowan moved the adoption of the Committee Amendment No. 3 to **HB 111**. Agreed.

Representative Cowan moved that **HB 111**, as amended, be passed.

On the roll call the vote was yeas 80-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Freibert, Gedling, Gray, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, LeMaster, Lile, List, Little, Long, Lundergan, Mann, McBee, McElroy, McNutt, Meyer, Moore, Morris, Nett, Noe, O'Brien, Overstreet, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 13-Allen, Burnette, Curd, Ellington, Ford, Fryman, Hancock, Layman, Lefevers, Moberly, Noland, Pearman, Todd.

HB 111, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 111**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 633 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Burnette moved that **HB 633** be passed.

On the roll call the vote was yeas 90-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 3-Freibert, Heleringer, Lile.

HB 633 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 633** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 933, with Committee Amendments and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clarke moved the adoption of the Committee Amendment No. 1 to **HB 933**. Agreed.

Representative Clarke moved the adoption of the Committee Amendment No. 2 to **HB 933**. Agreed.

Representative Endicott moved the adoption of the Floor Amendment No. 1 to **HB 933**. Agreed.

Representative Clarke moved that **HB 933**, as amended, be passed.

On the roll call the vote was yeas 83-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMasters, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, Meyer, Moberly, Moore, Morris, Nett, Noe, O'Brien, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, Riner, Seum, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Yates. Nays 10-Allen, Craddock, Dawahare, Fryman, McNutt, Noland, Patrick, P.

Richardson, Robinson, B. Smith.

HB 933, as amended, was passed and the title agreed to.

Representative Clarke moved that the vote by which **HB 933**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HJR 10 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative F. Smith moved that **HJR 10** be passed.

On the roll call the vote was yeas 78-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Gedling, Gray, Hancock, Handy, Heleringer, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Kidd, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Pearman, Perkins, Priddy, Rapier, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Worthington, Yates. Nays 11-Allen, Ford, Foster, Freibert, Fryman, Holloway, Lefevers, Patrick, Todd, Turner, Williams.

HJR 10 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HJR 10** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 499, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed. Agreed by a majority of members elected.

Representative Gray moved the adoption of the Committee Amendment No. 1 to **HB 499**. Agreed.

Representative Deskins moved the adoption of the Floor Amendment No. 1 to **HB 499**. Agreed.

Representative Williams moved that **HB 499**, as amended, be passed.

On the roll call the vote was yeas 55-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, L. Clark, P. Clark, Cline, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Fryman, Gedling, Gray, Handy, Hines, Johnson, T. Jones, Kenton, Kidd, LeMaster, Lile, Little, Maggard, Mann, McElroy, Meyer, Moberly, Moore, Nett, Noe, Noland, Perkins, Priddy, Reinhardt, Riner, Seum, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Worthington Yates. Nays 30-Allen, Caldwell, Cowan, Crupper, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Hancock, Harper, Heleringer, Holbrook, Holloway, Lefevers, Long, McBee, McNutt, O'Brien, Overstreet, Patrick, Pearman, Rapier, Richards, P. Richardson, Robinson, B. Smith, Todd, Turner.

HB 499, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 499**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 587, with Committee Amendment attached thereto, taken from orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Donnermeyer moved the adoption of the Committee Amendment No. 1 to **HB 587**. Agreed.

Representative Donnermeyer moved that **HB 587**, as amended, be passed.

On the roll call the vote was yeas 58-Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Crupper, Curd, Dawahare, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Freibert, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Johnson, Kidd, LeMaster, Lile, List, Little, Maggard, Mann, Meyer, Morris, Nett, O'Brien, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, Riner, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Williams, Worthington, Yates. Nays 23-Allen, Brown, Burnette, Cline, Craddock, Ellington, Ford, Foster, Fryman, Gedling, Lefevers, McBee, McElroy, McNutt, Moore, Noland, Patrick, Pearman, P. Richardson, Robinson, Todd, Turner, White.

HB 587, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 587,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Senate Message

Announcing passage of **SB 353, SCR 43, SJR 52, HB 123,** with Senate Amendment, **HB 530,** and **HB 562.**

Orders of the Day (continued)

HB 655 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Lundergan moved that **HB 655** be passed.

On the roll call the vote was yeas 85-Arnold, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noland, O'Brien, Overstreet, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stumbo, Thomason, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 6-Allen, Brinkley, Patrick, Pearman, Stone, Todd.

HB 655 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 655** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 826, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cowan moved the adoption of the Floor Amendment No. 1 to **HB 826.** Agreed.

Representative Cowan moved that **HB 826,** as amended, be passed.

On the roll call the vote was yeas 68-Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bruce, Burch, Caldwell, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Foster, Gedling, Gray, Handy, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Noe, Overstreet, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, Riner, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Worthington, Yates. Nays 16-Allen, Clarke, Curd, Farrow, Ford, Freibert, Hancock, Harper, Holloway, List, O'Brien, P. Richardson, Robinson, Seum, B. Smith, Turner.

HB 826, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 826**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 821 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Meyer moved that **HB 821** be passed.

On the roll call the vote was yeas 88-Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 821 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 821** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 642 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Lundergan moved that **HB 642** be passed.

On the roll call the vote was yeas 84-Arnold, Barrows, Bendl, Bennett, Blandford, Brinkley, Brown, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington. Nays 4-Blevins, Heleringer, Seum, Yates.

HB 642 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 642** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 758, with Committee Substitute and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Smith moved the adoption of the Committee Substitute to **HB 758**. Agreed.

Representative B. Smith moved that **HB 758**, by way of Committee Substitute, be passed.

Representative Clarke moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **HB 758**. Agreed.

Representative Farrow moved the adoption of the Floor Amendment No. 2 to the Committee Substitute to **HB 758**. Rejected.

Representative Burnette moved that **HB 758**, by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 91-Allen, Arnold, Barrows, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 3-Bennett, Deskins, Williams.

HB 758, by way of Committee Substitute as amended, was passed.

Representative Burnette moved the adoption of the Committee Title Amendment to **HB 758.** Agreed.

Representative LeMaster moved that the vote by which **HB 758,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

The Speaker resumed the Chair.

HB 847, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority ofmembers elected.

Representative Burch moved the adoption of the Floor Amendment No. 1 to **HB 847.** Agreed.

Representative Burch moved that **HB 847,** as amended, be passed.

On the roll call the vote was yeas 83-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, T. Jones, Kenton, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Morris, Nett, Noe, Noland, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, B. Richardson, P. Richardson, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 2-Barrows, Meyer.

HB 847, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 847,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 582, with Floor Amendment attached thereto, taken from orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Pearman moved that **HB 582** be passed.

Representative Farrow moved the adoption of the Floor Amendment No. 1 to **HB 582.** Agreed.

Representative Pearman moved that **HB 582,** as amended, be passed.

On the roll call the vote was yeas 35-Allen, Blevins, Bronger, Brown, L. Clark, P. Clark, Cline, Craddock, Crupper, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Fryman, Gedling, Guenthner, Hancock, Lefevers, McBee, Moore, Noland, Pearman, Rattliff, Riner, Robinson, Seum, Todd, Turner, White, Worthington, Yates. Nays 47-Barrows, Bendl, Bennett, Blandford, Brinkley, Burch, Caldwell, Clarke, Cowan, Curd, Cyrus, Deskins, Freibert, Handy, Harper, Head, Hines, Holloway, Johnson, R. Jones, T. Jones, Kenton Lile, List, Little, Long, Lundergan, Mann, McElroy, McNutt, Meyer, Moberly, Nett, Noe, O'Brien, Overstreet, Patrick, Perkins, Rapier, Richards, B. Richardson, F. Smith, Stone, Stumbo, Thomason, Van Horn, Williams.

HB 582, as amended, was defeated.

HB 679, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Moore moved the adoption of the Floor Amendment No. 1 to **HB 679.** Agreed.

Representative Endicott moved that **HB 679,** as amended, be passed.

On the roll call the vote was yeas 87-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, L. Clark, P. Clark, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 2-Clarke, Perkins.

HB 679, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 679,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 16 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative McNutt moved that **SB 16** be passed.

On the roll call the vote was yeas 87-Arnold, Barrows, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, White, Worthington, Yates. Nays 5-Allen, Deskins, Overstreet, Van Horn, Williams.

SB 16 was passed and the title agreed to.

Representative LeMaster moved that th evote by which **SB 16** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 133 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cowan moved that **SB 133** be passed.

On the roll call the vote was yeas 86-Arnold, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

SB 133 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 133** was passed be reconsidered and said motion be placed on the table. Agreed.

Report of Committees

The Committee on Appropriations and Revenue reported **HB 11, HB 75** with Committee Amendment attached thereto, **HB 107** with Committee Amendments attached thereto, **HB 269** with Committee Amendment attached thereto, **HB 660** with Committee Amendment attached thereto, and **SB 118** with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

The Committee Amendment No. 1 to **HB 75** is as follows:

Amend printed copy of **HB 75**, on page 13, line 3, after "the" by adding "*revenue cabinet*" and by deleting "clearinghouse"; and

On page 13, line 5, after "($10).", by adding "*The revenue cabinet shall retain one dollar ($1.00) of the fee to cover its administrative cost and the remaining*" and by changing "Fees" to "*fees*".

The Committee on Appropriations and Revenue reported **HB 903, HB 984,** and **HB 786** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 903, AN ACT relating to filing fees assessed by the Kentucky board of tax appeals.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 131 IS CREATED TO READ AS FOLLOWS:
The filing fee for an appeal to the Kentucky board of tax appeals shall be paid to the clerk at the time the appeal is made and shall be ten dollars ($10).

HB 984, AN ACT relating to the department of banking and securities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 287.485 is amended to read as follows:
(1) All fees collected and paid into the state treasury under the provisions of KRS Chapters 287, 288, 289, 290, 291, 292, 294, 307, 366 and 316.310 to 316.370 shall be credited to a revolving trust or agency fund account, as provided in KRS 45.140, for the department of banking and securities and shall be separately accounted for and shall be used solely for the administration and enforcement of said KRS chapters.
(2) Any surplus in the revolving trust or agency fund account over and above the amount appropriated as necessary to administer and enforce the KRS chapters in subsection (1) of this section shall revert to the general fund.
(3) All fees which the department assesses against financial institutions shall not be less than one-half (1/2) of the maximum rate allowable.

HB 786, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 138.210 is amended to read as follows:
As used in KRS 138.220 to 138.340, unless the context requires otherwise: (1) "Accountable loss" of gasoline means loss or destruction of "received" gasoline through wrecking of transportation conveyance, explosion, fire, flood or other casualty loss, or "received" gasoline contaminated and returned to storage; provided that any such loss shall have been reported within ten (10) days after discovery of such loss to the department in a manner and form prescribed by the department, supported by proper evidence which in the sole judgment of the department substantiates the alleged loss or contamination and which is confirmed in writing to the reporting dealer by the department. The department may make any investigation deemed necessary to establish the bona fide claim of the loss.

(2) "Dealer" means any person who:

(a) Imports into this state and stores, or causes to be imported into and stored in this state, gasoline for use, distribution or sale and delivery in this state after it has been stored in this state; provided that the term "dealer" as used in KRS 138.220 to 138.340 shall not include any person who imports gasoline acquired from a refiner or other supplier who, at the time of such importation, is a duly licensed dealer in this state, except as may otherwise be provided under regulations of the department.

(b) Receives or accepts delivery of gasoline within this state into bulk storage facilities owned or operated for the storage of gasoline for transhipment within or without this state.

(c) Refines, produces, distills, manufactures, blends or compounds gasoline in this state.

(d) Receives or accepts delivery within this state of gasoline for resale within this state in amounts of not less than an average of 100,000 gallons per month during any prior consecutive twelve (12) months' period, when in the opinion of the department, such person has sufficient financial rating and reputation to justify the conclusion that he will pay all taxes and comply with all other obligations imposed upon a dealer.

(3) "Department" means the department of revenue.

(4) "Gasoline" means all liquid fuels, including liquids ordinarily, practically and commercially usable in internal combustion engines for the generation of power, and all distillates of and condensates from petroleum, natural gas, coal, coal tar, vegetable ferments and all other products so usable except propane, butane or other liquefied petroleum gases, kerosene, cleaner solvent, fuel oil, diesel fuel and crude oil.

(5) "Received" or "received gasoline" shall have the following meanings:

(a) Gasoline produced, manufactured or compounded at any refinery in this state or gasoline acquired by any dealer and delivered into or stored in refinery, marine or pipeline terminal storage facilities in this state shall be deemed to be received when it has been loaded for bulk delivery into tank cars or tank trucks consigned to destinations within this state. For the purpose of the proper administration of this chapter and to prevent the evasion of the tax and to enforce the duty of the dealer to collect the tax, it shall be presumed that all gasoline loaded by any licensed dealer within this state into tank cars or tank trucks is consigned to destinations within this state unless the contrary is established by the dealer pursuant to rules and regulations prescribed by the department.

(b) Gasoline acquired by any dealer in this state, and not delivered into refinery, marine or pipeline terminal storage facilities, shall be deemed to be received when it has been placed into storage tanks or other containers for use or subject to withdrawal for use, delivery, sale or other distribution. Dealers may sell gasoline to licensed bonded dealers in this state in transport truckload, carload or cargo lots, withdrawing such gasoline from refinery, marine, pipeline terminal or bulk storage tanks, without paying the tax on such gasoline. In such instances the licensed bonded dealer purchasing such gasoline shall be deemed to have received such gasoline at the time of withdrawal from the seller's storage facility and shall be responsible to the state for the payment of the tax thereon and shall report and pay the tax on such gasoline purchased and received.

(6) "Refinery" means any place where gasoline is refined, manufactured, compounded or otherwise prepared for use.

(7) "Storage" means all gasoline produced, refined, distilled, manufactured, blended or compounded and stored at a refinery storage or delivered by boat at a marine terminal for storage or delivered by pipeline at a pipeline terminal, delivery station or tank farm for storage.

(8) "Transporter" means any person who transports gasoline on which the tax has not been paid or assumed.

(9) "Bulk storage facility" means gasoline storage facilities of not less than twenty thousand (20,000) gallons owned or operated at one (1) location by a single owner or operator for the purpose of storing gasoline for resale or delivery to retail outlets or consumers.

(10) "Average wholesale price" shall mean:

(a) The weighted average per gallon wholesale tank wagon price of gasoline, exclusive of the four cents (4) per gallon federal tax in effect on January 1, 1980, as determined by the department of revenue from information furnished by licensed gasoline dealers. Dealers shall furnish within twenty (20) days following the end of the first month of each calendar quarter, such information regarding wholesale selling prices for the previous month as may be reasonably required by the department.

(b) Notwithstanding the provisions of paragraph (a) of this subsection, for purposes of the taxes levied in KRS 138.220[~~, 138.565, 138.660~~] and 234.320, in no case shall "average wholesale price" be deemed to be less than one dollar and eleven cents ($1.11) per gallon, and in no case shall "average wholesale price" be deemed to be more than one dollar and fifty cents ($1.50) per gallon on or before June 30, 1982. In fiscal year 1982-83 the "average wholesale price" shall not be deemed to increase more than ten percent (10%) over the "average wholesale price" at the close of fiscal year 1981-82; in each subsequent fiscal year the "average wholesale price" shall not be deemed to increase more than ten percent (10%) over the "average wholesale price" at the close of the previous fiscal year.

(11) "Gasoline-alcohol blend" means a mixture of gasoline and fuel-grade alcohol in which the fuel-grade alcohol content is ten percent (10%) or less of the mixture.

(12) "Fuel-grade alcohol" means methyl alcohol or at least one hundred ninety-eight (198) proof ethyl alcohol derived from United States produced coal or United States produced renewable resources that is denatured in accordance with legal requirements and is used in an internal combustion engine.

Section 2. KRS 138.565 is amended to read as follows:

(1) An excise tax at the rate *of eleven and one-tenth cents (11.1) per gallon effective as of July 1, 1984,* [~~levied in KRS 138.220 and computed on the average wholesale price as defined in KRS 138.210(10)~~] is hereby levied and shall be paid by the special fuels dealer to the department:

(a) For all special fuels delivered into any tank or other container equipped with a hose or other apparatus designed to dispense such fuels into the fuel supply tank of a motor vehicle except when such deliveries are made to another licensed special fuels dealer. The tax imposed by this section shall not apply to special fuels delivered into storage facilities of consumers or persons engaged in the business of selling special fuels for use in motor vehicles when such special fuels are to be sold or used for nonhighway purposes and provided that the storage facilities for such special fuels have been approved and identified as nontaxable storage pursuant to regulations of the department provided that the department may not refuse to approve such nontaxable storage except for adequate cause.

(b) For all special fuels withdrawn by any special fuels dealer and dispensed into the fuel supply tank of a motor vehicle. An allowance of one percent (1%) of the tax shall be made to the special fuels dealer to cover unaccountable losses, bad debts, and handling and reporting the tax. For the purpose of the proper administration of this chapter and to prevent the evasion of the tax and to enforce the duty of the special fuels dealer to collect the tax, it shall be presumed that all special fuels delivered by any special fuels dealer within this state are taxable unless the contrary is established by the special fuels dealer pursuant to regulations prescribed by the department.

(2) *Effective as of July 1, 1986, the excise tax rate set out in subsection (1) of this section shall be increased to twelve cents (12) per gallon.*

(3) Notwithstanding the provisions of subsections (1) and (2) of this section, the amounts distributed pursuant to KRS 177.320(1) and (2) and KRS 177.365(1) shall be based upon a rate of ten cents (10) per gallon.

(4) No other excise or license tax shall be levied or assessed on special fuels by any political subdivision of the state.

Section 3. KRS 138.655 is amended to read as follows:

As used in KRS 138.655 to 138.725 and 138.990(17) and (18), unless the context requires otherwise:

(1) "Department" means department of transportation;

(2) "Person" includes every natural person, fiduciary, association, state or political subdivision, or corporation. Whenever used in any clause describing and imposing imprisonment the term "person" as applied to an association means and includes the partners or members thereof, and as applied to a corporation the officers thereof;

(3) "Public highway" means every way or place generally open to the use of the public as a matter of right for the purpose of vehicular travel notwithstanding that it may be temporarily closed or travel thereon restricted for the purpose of construction, maintenance, repair or reconstruction; also including all city streets, alleys and any way or place on which a toll is charged for using such way or place;

(4) "Motor vehicle" means any vehicle, machine or mechanical contrivance propelled by an internal combustion engine and licensed for operation and operated upon the public highways and any trailer or semitrailer attached to or having its front end supported by such motor vehicle;

(5) "Motor carrier" means every person who operates or causes to be operated on any highway in this state, any bus engaged in hauling passengers for hire operating under a certificate of convenience and necessity and any commercial truck or commercial tractor-trailer combination having a total of three (3) or more axles. The number of axles referred to herein shall include not only those axles on the power unit but if a tractor-trailer combination is involved, also those axles on the trailer or semitrailer;

(a) "Axle" as referred to herein means any two (2) or more load-carrying wheels mounted in a single transverse vertical plane;

(b) "Trailers and semitrailers" are those as defined in subsections (1) and (2) of KRS 186.650, except that it does not include those trailers defined in subsections (3) and (4) of KRS 186.650 and those exempted from regulation under KRS 186.675. The term "motor carrier" shall not mean or shall not include any person operating or causing to be operated a city bus except city buses operated across the border of the state of Kentucky;

(c) "Commercial" refers to any activity for business purposes;

(d) For the purposes of KRS 138.660(3), motor carriers, trailers and semitrailers shall not mean a farm vehicle as defined in KRS 186.050(4).

(6) "City bus" means any motor vehicle used for the transportation of persons for hire exclusively within the limits of any city or within ten (10) miles of its limits over a regular route and exclusively within the boundaries of this state;

(7) "Heavy equipment motor carrier" means any person who operates on the public highways of this

state as a "motor carrier" as defined in subsection (5) of this section, except that it shall not include motor vehicles used to transport persons for hire;

(8) "Trip permit" means a permit for the operating during a ten (10) consecutive day period of any motor vehicle of any "heavy equipment motor carrier" not licensed under KRS 138.665;

(9) "Licensee" means for purposes of KRS 138.655 to 138.725 any person who has been granted a license as a "motor carrier" or a "heavy equipment motor carrier," or any motor vehicle in which a valid trip permit is carried;

(10) "Use" means the consumption of gasoline and special fuels in propelling motor vehicles on the public highways;

(11) "Gasoline" means gasoline as defined in KRS 138.210 (4);

(12) "Special fuels" means and includes all combustible gases and liquids used for the generation of power in an internal combustion engine to propel vehicles of any kind upon the public highways, except that it does not include gasoline as defined in KRS 138.210 (4);

(13) "Quarterly" for the purposes of KRS 138.655 to 138.725 means a three (3) month period ending June 30 in the year 1956 and each succeeding three (3) month period thereafter[~~; except that for the purposes of the taxes imposed under KRS 138.660(3), "quarterly" shall mean the period beginning July 15, 1982, and ending September 30, 1982 and each succeeding three (3) month period thereafter;~~

~~(14) "Combined licensed weight" shall mean the greater of:~~

~~(a) The declared combined maximum gross weight of the vehicle and any towed unit for registration purposes for the current registration period; or~~

~~(b) The highest actual combined gross weight of the vehicle and any towed unit when operated on the public highways of the state during the current registration period~~].

Section 4. KRS 138.660 is amended to read as follows:

(1) Every motor carrier shall pay a tax at the rate levied in KRS 138.220 and computed on the average wholesale price as defined in KRS 138.210(10) on the amount of gasoline and, *effective July 1, 1984, pay eleven and one-tenth cents (11.1) per gallon* [~~at the same rate~~] on the amount of special fuels used in operations on the public highways of this state.

(2) Effective as of July 1, 1986, the excise tax rate set out in subsection (1) of this section shall be increased to twelve cents (12) per gallon.

(3) Notwithstanding the provisions of subsections (1) and (2) of this section, the amounts distributed pursuant to KRS 177.320(1) and (2) and KRS 177.365(1) shall be based upon a rate of ten cents (10) per gallon.

(4) In addition to the tax imposed in subsection (1) of this section, if the motor carrier is a heavy equipment motor carrier as defined in KRS 138.655, he shall pay a surtax at the rate of two percent (2%) of the average wholesale price as provided in subsection (1), on the amount of gasoline and, *effective July 1, 1984, two and three tenths cents (2.3) per gallon on the amount of* special fuels used in operations on public highways of this state.

(5) Effective as of July 1, 1986, the surtax on special fuels, as set out in subsection (2) of this section, shall be increased to two and four tenths cents (2.4) per gallon on the amount of special fuels used in operations on the public highways of this state. [~~(3) (a) In addition to the tax imposed in subsections (1) and (2) of this section, every motor carrier shall pay the weight distance tax as set forth in this section on the amount of gasoline and special fuels in operations on the public highways of this state.~~

~~(b) The weight distance tax shall be computed as follows on the combined licensed weight of the motor vehicle and trailers or semitrailers as defined in KRS 138.665: The rate shall be 2.85 cents (0.285) per mile, for combined licensed weights in excess of fifty nine thousand nine hundred and ninety nine (59,999) pounds.~~]

(6) Notwithstanding the provisions of subsections (4) and (5) of this section, the amounts distributed pursuant to KRS 177.320(1) and (2) and KRS 177.365(1) shall be based upon a rate of two and two tenths cents (2.2) per gallon.

(7)[~~(4)~~] The tax levied under subsections (1), (2), *(4) and (5)* [~~(3)~~] of this section shall be computed and paid as provided in KRS 138.690.

Section 5. KRS 138.665 is amended to read as follows:

(1) A license shall be required of each motor carrier or heavy equipment motor carrier subject to the provisions of KRS 138.660(1)[~~,~~] *and (4)* [~~(2) and (3)~~] before he uses or continues to use the public highways of this state, except the department may issue a trip permit for each motor vehicle for a fee of twenty dollars ($20.00) for each permit.

(2) Application for a license or trip permit shall be made to the department and shall contain such information as the department deems necessary.

(3) Concurrently with the filing of an application for a license, the motor carrier or heavy equipment motor carrier shall file with the department a bond as required under KRS 138.670. No license shall be issued to any person unless such person has furnished a bond as provided in KRS 138.670 to secure payment of taxes, penalties and interest imposed by KRS 138.655 to 138.725.

(4) The application in proper form having been accepted for filing, the bond having been accepted and approved and the other conditions and requirements of this section having been complied with, the department shall issue a license. However, if an application for a license is filed by any person whose license has at any time previously been revoked for cause by the department, or if the department is of the opinion that the person who makes the application does so as a subterfuge for the real party in interest whose license, prior to the time of filing the application, has been revoked for cause, or that the application is not for any other reason filed in good faith or is not sufficient cause, the department may, after a hearing of which the applicant shall be given ten (10) days' notice in writing and in which he shall have the right to appear in person or by counsel and present testimony, refuse to issue a license to that person.

(5) All licenses shall be valid and remain in full force and effect until suspended or revoked for cause or otherwise canceled.

(6) A license shall not be assignable or transferable and shall be valid only for the person in whose name it is issued.

(7) The department shall keep and file all applications and bonds, with an alphabetical index thereof.

(8) Each holder of such license shall display such license number or other identification in the manner prescribed by the department.

Section 6. KRS 138.690 is amended to read as follows:

[~~(1)~~] The tax imposed by *subsection* [~~subsections~~] (1) [~~and (2)~~] of KRS 138.660 shall be determined as follows: The total number of gallons of gasoline and special fuels used during the taxable period in the licensee's operations on the public highways in Kentucky shall be multiplied by the tax rate.

[~~(2) The tax imposed by KRS 138.660(3) shall be determined by the total number of miles driven during the taxable period in the licensee's operations on public highways in Kentucky and shall be multiplied by the combined licensed weight tax rate.~~]

Section 7. KRS 138.695 is amended to read as follows:

(1) Every licensee subject to the tax imposed by subsections (1)[~~,~~] *and (4)* [~~(2) and (3)~~] of KRS 138.660 shall be entitled to a credit for each quarterly period beginning on and after July 1, 1980, equivalent to the tax rate levied in KRS 138.220 and computed on the average wholesale price as defined in KRS 138.210(10) on gasoline and, *effective as of July 1, 1984, eleven and one tenth cents (11.1) per gallon on* special fuels purchased by such licensee during such period for use in its operations, provided such gasoline and special fuels were purchased in Kentucky during the same period and the tax imposed by KRS 138.220, 138.565, and 234.320 has been paid. Evidence of the payment of such tax in such form as may be required by or satisfactory to the department shall be furnished by each such licensee claiming the credit herein allowed.

(2) *Effective as of July 1, 1986, the credit allowed in subsection (1) of this section for special fuels shall increase to twelve cents (12) per gallon.*

(3) Notwithstanding the provisions of subsections (1) and (2) of this section, the amounts distributed pursuant to KRS 177.320(1) and (2) and 177.365(1) shall be based upon a rate of ten cents (10) per gallon.

(4) The department shall at the close of each quarterly period, ending September 30, December 31, March 31, and June 30, compute all credits granted by the department during such quarter, which credits shall be except as provided in subsection (3), applied only to taxes due on the report filed for the next quarter.

(5)[~~(3)~~] If the credit or credits referred to in subsections (1) and (2) would expire solely by reason of the lapse of time allowed in subsection (2), then the balance of any credit shall be refunded to the licensee, provided application therefor and all necessary information shall be filed with the department within sixty (60) days after the time the credit would otherwise expire as provided in subsection (2) except a credit shall not be refunded to the licensee, where, as estimated by the department, the cost to the department of making the refund would exceed the amount of the refund.

(6)[~~(4)~~] In order to facilitate administration of the credits and refunds allowed herein, the department shall prescribe what records must be kept by the licensee or any other person and the department shall also prescribe the form and content of said records and any reports to be made relative thereto.

Section 8. KRS 186.050 is amended to read as follows:

(1) The annual registration fee for motor vehicles, including taxicabs, airport limousines and U-Drive-Its, primarily designed for carrying passengers and having provisions for not more than nine (9) passengers, including the operator, shall be eleven dollars and fifty cents ($11.50).

(2) The annual registration fee for each motorcycle shall be five dollars ($5.00), and for each sidecar attachment, three dollars ($3.00).

(3) (a) All motor vehicles having a declared gross weight of vehicle and any towed unit of six thousand (6,000) pounds or less except those mentioned in subsections (1) and (2) of this section and those engaged in hauling passengers for hire, operating under certificates of convenience and necessity, are classified as commercial vehicles and the annual registration fee, except as provided in subsections (4) to (14) hereof, shall be eleven dollars and fifty cents ($11.50).

(b) All motor vehicles except those mentioned in subsections (1) and (2) of this section, and those engaged in hauling passengers for hire, operating under certificates of convenience and necessity, are classified as commercial vehicles and the annual registration fee, except as provided in subsections (3)(a) and (4) to (14) hereof, shall be as follows:

Declared Gross Weight of Vehicle Registrationand
62,001-73,280 *1,050.00*[~~750.00~~]73,281-82,000 *1,200.00*[~~840.00~~]

(4) (a) Any farmer owning a truck having a gross weight of thirty-eight thousand (38,000) pounds or less may have it registered as a farmer's truck and obtain a license for eleven dollars and fifty cents ($11.50). The applicant's signature upon the certificate of registration and ownership shall constitute a certificate that he is a farmer engaged solely in the production of crops, livestock or dairy products, that he owns a truck of the gross weight of thirty-eight thousand (38,000) pounds or less, and that during the next twelve (12) months the truck will be used only in transporting persons, food, provender, feed, machinery, livestock, material and supplies necessary for his farming operation, and the products grown on his farm.

(b) Any farmer owning a truck having a declared gross weight in excess of thirty-eight thousand (38,000) pounds shall not be required to pay the fee set out in subsection (3) of this section and, in lieu thereof, shall pay forty percent (40%) of the fee set out in subsection (3) hereof and shall be exempt from any fee charged under the provisions of KRS 281.752. The applicant's signature upon the registration receipt shall be considered to be a certification that he is a farmer engaged solely in the production of crops, livestock or dairy products, and that during the current registration year the truck will be used only in transporting persons, food, provender, feed and machinery used in operating his farm and the products grown on his farm.

(5) Any person owning a truck or bus used solely in transporting school children and school employes may have the truck or bus registered as a school bus and obtain a license for eleven dollars and fifty cents ($11.50) by filing with the county clerk, in addition to other information required, an affidavit stating that the truck or bus is used solely in the transportation of school children and persons employed in the schools of the district, that he has caused to be printed on each side of the truck or bus and on the rear door the words "School Bus" in letters at least six (6) inches high and of a conspicuous color and the truck or bus will be used during the next twelve (12) months only for the purpose stated.

(6) Any church or religious organization owning a truck or bus used solely in transporting persons to and from a place of worship or for other religious work may have the truck or bus registered as a church bus and obtain a license for eleven dollars and fifty cents ($11.50) by filing with the county clerk, in addition to other information required, an affidavit stating that the truck or bus will be used only for the transporting of persons to and from a place of worship, or for other religious work, and that there has been printed on the truck or bus in large letters the words "Church Bus," with the name of the church or religious organization owning and using the truck or bus, and that during the next twelve (12) months the truck or bus will be used only for the purpose stated.

(7) Any person owning a motor vehicle on which a wrecking crane and other equipment suitable for [~~an automobile~~] wrecker service has been permanently mounted may register the vehicle and obtain a license for eleven dollars and fifty cents ($11.50) by filing with the county clerk, in addition to other information required, an affidavit that a wrecking crane and other equipment suitable for [~~an automobile~~] wrecker service has been permanently mounted on such vehicle and that during the next twelve (12) months the vehicle will be used only in [~~automobile~~] wrecker service.

(8) Motor vehicles having a declared gross weight in excess of eighteen thousand (18,000) pounds, which when operated in this state are used exclusively for the transportation of property within the limits of the city named in the affidavit hereinafter required to be filed, or within ten (10) miles of the city limits of the city if it is a city of the first, second, third, or fourth class, or within five (5) miles of its limits if it is a city of the fifth or sixth class, shall not be required to pay the fee as set out in subsection (3) of this section, and in lieu thereof shall pay *sixty percent (60%)* [~~forty percent (40%)~~] of the fee set forth in subsection (3) hereof and shall be exempt from any fee charged under the provisions of KRS 281.752. Nothing in this section shall be construed to limit any right of nonresidents to exemption from registration under any other provisions of the laws granting reciprocity to nonresidents. Operations outside of this state shall not be considered in determining whether or not the foregoing mileage limitations have been observed. When claiming the right to the reduced fee, the applicant's signature on the certificate of registration and ownership shall constitute a certification or affidavit stating that the motor vehicle when used within this state is used only for the transportation of property within the city to be named in the affidavit and the area above set out and that the vehicle will not be used outside of a city and the area above set out during the current registration period.

(9) Motor vehicles having a declared gross weight in excess of eighteen thousand (18,000) pounds, [~~which are used exclusively for the transportation of coal from the point at which such coal is mined to a railhead or tipple, where such railhead or tipple is located at a point not more than fifty (50) air miles from the point at which such coal is mined, or~~] which are used exclusively for the transportation of primary forest products from the harvest area to a mill or other processing facility, where such mill or processing facility is located at a point not more than fifty (50) air miles from the harvest area or which are used exclusively for the

transportation of concrete blocks or ready mixed concrete from the point at which such concrete blocks or ready mixed concrete is produced to a construction site where such concrete blocks or ready mixed concrete is to be used, where such construction site is located at a point not more than thirty (30) air miles from the point at which such concrete blocks or ready mixed concrete is produced shall not be required to pay the fee as set out in subsection (3) of this section, and in lieu thereof shall pay *sixty percent (60%)* [~~forty percent (40%)~~] of the fee set out in subsection (3) hereof and shall be exempt from any fee charged under the provisions of KRS 281.752. The applicant's signature upon the certificate of registration and ownership shall constitute a certification that the motor vehicle will not be used during the current registration period in any manner other than that for which the reduced fee is provided in this section.

(10) [~~Motor vehicles used exclusively for the transportation and delivery of motor vehicles, not including trailers and semitrailers, by means of the full amount or truckaway methods on trailers or semitrailers, shall pay an amount equal to three-fourths (3/4) of the fee set out in subsection (3) hereof. Any applicant for such registration shall present to the county clerk a certification from the cabinet that the vehicle may be licensed in accordance herewith. No clerk shall issue registrations under this section without attaching a copy of the department's certification to the transportation cabinet's copy of the certificate of registration and ownership.~~

~~(11)~~] Any owner of a commercial vehicle registered for a declared gross weight in excess of eighteen thousand (18,000) pounds, intending to transfer same and desiring to take advantage of the refund provisions of KRS 186.056(2) may reregister such vehicle and obtain a "For Sale" certificate of registration and ownership for one dollar ($1.00). Title to a vehicle so registered may be transferred, but such registration shall not authorize the operation or use of the vehicle on any public highway. No refund may be made under the provisions of KRS 186.056(2) until such time as the title to such vehicle has been transferred to the purchaser thereof. Provided, however, that nothing herein shall be so construed as to prevent the seller of a commercial vehicle from transferring the registration of such vehicle to any purchaser thereof.

(11)[~~(12)~~] The annual registration fee for self-propelled vehicles containing sleeping or eating facilities shall be twenty dollars ($20.00) and the tag issued shall be designated "Housecar." Provided, however, that the foregoing shall not include any motor vehicle primarily designed for commercial or farm use having temporarily attached thereto any such sleeping or eating facilities, or any commercial vehicle having sleeping facilities.

(12)[~~(13)~~] The registration fee on any vehicle registered under this section shall be increased fifty percent (50%) when such vehicle is not equipped wholly with pneumatic tires.

(13)[~~(14)~~] (a) The department of vehicle regulation is authorized to negotiate and execute an agreement or agreements with other jurisdictions for the purpose of developing and instituting proportional registration of motor vehicles engaged in interstate commerce, or in a combination of interstate and intrastate commerce, and operating into, through or within the Commonwealth of Kentucky. The agreement or agreements may be made on a basis commensurate with, and determined by, the miles traveled on, and use made of, the highways of this Commonwealth as compared with the miles traveled on and use made of highways of other states, or upon any other equitable basis of proportional registration. Notwithstanding the provisions of KRS 186.020, the cabinet shall promulgate regulations concerning the registration of motor vehicles under any agreement or agreements made under this section and shall provide for direct issuance by it of evidence of payment of any registration fee required under such agreement or agreements. Any proportional registration fee required to be collected under any proportional registration agreement or agreements shall be in accordance with the taxes established in this section.

(b) Any owner of a commercial vehicle who is required to title his motor vehicle under this section shall first title such vehicle with the county clerk pursuant to KRS 186.020 for a state fee of one dollar ($1.00). Title to such vehicle may be transferred, however title, without proper registration, shall not authorize the operation or use of the vehicle on any public highway. Any commercial vehicle properly titled in Kentucky may also be registered in Kentucky, and, upon payment of the required fees, the department may issue an apportioned registration plate to such commercial vehicle.

(c) Any commercial vehicle that is properly titled in a foreign jurisdiction, which vehicle is subject to apportioned registration as provided in (a) of this subsection may be registered in Kentucky, and, upon proof of proper title, and payment of the required fees, the department may issue an apportioned registration plate to such commercial vehicle. The department shall promulgate regulations in accordance with this section.

Section 9. KRS 281.752 is amended to read as follows:

(1) In addition to the payment of any other fees required by law, the bureau shall prescribe and charge a fee, of *ten dollars ($10.00) per vehicle* [~~twenty dollars ($20.00) in each instance,~~] for the issuance of such identifying plates, decals, cards, *stickers,* signs, *insignias* or papers, for the identification of motor vehicles, *except taxicabs operating pursuant to a certificate or permit issued by the interstate commerce commission or the department* [~~as defined in KRS 281.011(3), (4) and (5) and KRS 138.655(5) and (7) which vehicles have been qualified for, and have been granted reciprocal privileges in Kentucky in regard to motor vehicle registration fees and highway use taxes.~~] The commissioner may by reciprocal agreement with the proper officials of other jurisdictions waive such fees applicable to residents of such other jurisdictions which

afford like privileges to residents of Kentucky.

(2) The provisions of subsection (1) of this section shall become effective on January 1, 1985.

SECTION 10. A NEW SECTION OF KRS CHAPTER 138 IS CREATED TO READ AS FOLLOWS:

(1) The department shall prescribe and charge an annual fee of fifteen dollars ($15) per vehicle, for the issuance of such identifying plates, decals, cards, stickers, signs, insignia or papers for the identification of motor vehicles that are subject to the provision of KRS 138.660.

(2) The provisions of subsection (1) of this section shall become effective on January 1, 1985.

SECTION 11. A NEW SECTION OF KRS CHAPTER 138 IS CREATED TO READ AS FOLLOWS:

The department, upon petition by any person having an interest in the subject matter, by official order, after notice and a public hearing, shall establish the percentage of tax paid fuel which is burned by auxiliary equipment on a motor vehicle while being operated upon the public highways of this state. Such percentage shall be credited against the taxes required to be paid under the provisions of KRS 138.660(1) and (2).

Section 12. KRS 47.020 is amended to read as follows:

Thirty percent (30%) of all revenue raised by the tax imposed by subsections (3) through *(13)* [~~(14)~~] of KRS 186.050 shall be evenly distributed among all the counties for the county road funds, *but in no case shall such revenues exceed the amounts distributed based upon fiscal year 1983-84 receipts.*

Section 13. KRS 177.320 is amended to read as follows:

(1) Twenty-two and two-tenths percent (22.2%) of all funds arising from the imposition of taxes provided by KRS 138.220, 138.565, 138.660[~~(1) and (2)~~] and 234.320 shall be set aside for the construction, reconstruction and maintenance of secondary and rural roads and for no other purpose, and shall be expended for said purposes by the transportation cabinet of the Commonwealth of Kentucky according to the terms and conditions prescribed in KRS 177.330 to 177.360.

(2) On or after July 1, 1980, fifteen and six-tenths percent (15.6%) of all funds arising from the imposition of taxes provided by KRS 138.220, 138.565, 138.660 and 234.320 shall be set aside for the construction, reconstruction and maintenance of county roads and bridges provided by KRS 179.410 through 179.415.

Section 14. KRS 177.365 is amended to read as follows:

(1) On and after July 1, 1980, six and seven-tenths percent (6.7%) of all amounts received from the imposition of the taxes provided for in KRS 138.220, 138.565, 138.660 [~~(1) and (2)~~] and 234.320 shall be set aside by the finance and administration cabinet for the construction, reconstruction and maintenance of urban roads and streets and for no other purpose.

(2) As used in this section unless the context requires otherwise "construction," "reconstruction," and "maintenance" mean the supervising, inspecting, actual building, and all expenses incidental to the construction, reconstruction, or maintenance of a road or street, including planning, locating, surveying, and mapping or preparing roadway plans, acquisition of rights-of-way, relocation of utilities, lighting and the elimination of other hazards such as roadway grade crossings, and all other items defined in the department of highways, design, operations, and construction manuals.

(3) "Urban roads" mean all public ways lying within the limits of the unincorporated urban place as described by the bureau of census tracts.

(4) "Streets" mean all public ways which have been designated by the incorporated city as being city streets and said streets lying within the boundaries of an incorporated city.

SECTION 15. A NEW SECTION OF KRS CHAPTER 138 IS CREATED TO READ AS FOLLOWS:

(1) The provisions of subsection (1)(b) of Section 1 of this Act shall become effective as of July 1, 1984.

(2) Unless otherwise provided therein, the provisions of Sections 3, 4, 5 and 6 of this Act shall become effective as of October 1, 1984.

Section 16. KRS 138.225 is amended to read as follows:

(1) In order to prevent unjust enrichment resulting from the consumption or sale of gasoline or special fuels or liquefied petroleum gas motor fuels on or after the date on which any state gasoline, special motor fuels, or liquefied petroleum gas motor fuels taxes are increased, pursuant to KRS 138.220(2), 138.565[~~(3)~~], 138.660*(4)*[~~(2)~~] or 234.320(2), upon which a tax of only nine cents per gallon has been paid into the state treasury, it is hereby declared to be the intent of the general assembly that all gasoline, special fuels, or liquefied petroleum gas motor fuels subject to tax under the provisions of KRS Chapters 138 and 234 which are stored, consumed, or sold on and after the effective date of such state tax increases shall be subject to such additional tax in accordance with such an increase, the total amount of such tax to be determined by the department of revenue. The additional tax which may be levied under the provisions of this section shall be implemented and collected as follows:

(a) All licensed gasoline, special fuels, and liquefied petroleum gas motor fuels dealers subject to such a tax increase shall report, in a manner and form to be prescribed by the department of revenue, the amount of such fuels on hand at the close of business on the day first preceding the effective date of such tax increases upon which a tax of nine cents per gallon has been paid or accrued and shall remit to the department of revenue such additional tax on each such gallon of gasoline, special fuels, or liquefied petroleum gas motor fuels as required to meet the total increased tax as determined by that department. Such report and tax shall be due and payable on the date prescribed by the department of revenue.

(b) All other persons having gasoline, special fuels, or liquefied petroleum gas motor fuels subject to such a tax increase on hand at the close of business on the day first preceding the effective date of such tax increases which has been subjected to a tax of only nine cents per gallon shall remit to the department of revenue such additional tax on each such gallon of gasoline, special fuels, or liquefied petroleum gas motor fuels as required to meet the total increased tax as determined by that department. Such additional tax shall be due and payable on the date prescribed by the department, and such persons shall file such reports and keep such records in respect thereof as may be prescribed by the department.

(2) Notwithstanding the provisions of subsection (1) of this section, the additional tax which may be levied by this section shall not be applicable to gasoline, special fuels, or liquefied petroleum gas motor fuels which is in the fuel supply tank of any internal combustion engine.

Section 17. KRS 138.755 is amended to read as follows:

(1) Within thirty (30) days subsequent to the enactment of federal law either decreasing gasoline, diesel, or special motor fuels tax rates, or increasing related tax credits, the attorney general of this state shall issue a finding confirming such a federal action and detailing the amount of such a tax rate reduction or tax credit increase. Within thirty (30) days subsequent to such an attorney general's finding, the department of revenue shall formally announce the extent by which the corresponding state gasoline, special fuels, or liquefied petroleum gas motor fuels taxes shall be increased pursuant to the provisions of KRS 138.220(2), 138.565*(4)*[~~(3)~~], 138.660*(4)*[~~(2)~~] and 234.320(2).

(2) KRS 138.220(2), 138.565*(4)*[~~(3)~~], 138.660*(4)*[~~(2)~~] and 234.320(2) shall become effective ninety (90) days subsequent to the enactment of federal law which either decreases gasoline, diesel, or special motor fuels tax rates, or increases related tax credits.

Section 18. KRS 177.595 is amended to read as follows:

The bonds herein provided for shall be direct obligations of the Commonwealth of Kentucky, and the full faith and credit of the Commonwealth hereby is pledged for the payment of said bonds and the interest thereon. In order to provide for the payment of the principal of all of said bonds at their maturity and the interest thereon annually as same shall accrue, there shall be levied and collected in each of the thirty (30) years from January 1, 1957, to January 1, 1987, taxes for the benefit of the state road fund in the form of license, excise taxes and fees relating to registration, operation and use of vehicles on public highways and excise taxes, use and license taxes relating to gasoline and other motor fuels used upon the public highways in Kentucky at rates not less than the rates now imposed by law or so adjusted as to produce for the road fund not less than the amount now derived from all of such taxes. All funds derived from such taxes hereby are appropriated to the extent necessary for the payment of the principal and interest on said bonds. From the funds derived from said taxes in each year, beginning January 1, 1957, there shall be set aside and held inviolable for that purpose, a fund sufficient to pay the principal and interest on said bonds in each year as and when due until all of said bonds and the interest thereon shall have been paid in full. In each year, after setting aside the funds hereinabove provided, the remainder of the funds derived from such taxes may be expended and used for the cost of administration, statutory refunds and adjustment, payment of highway obligations, costs of construction, reconstruction, right-of-ways, maintenance and repair of public highways, tunnels and bridges and the expense of enforcing state traffic and motor vehicle laws, provided that all the funds collected under KRS Chapter 138 and required by KRS 138.220, 138.565*(4)*[~~(2)~~] and 138.660*(4)*[~~(2)~~] to be set aside by the bureau of highways for the construction, reconstruction and maintenance of rural and secondary roads shall be first set aside and used for such purposes.

Section 19. The following KRS section is repealed:

138.661 Funding for implementation and administration of tax -- Trust and agency fund account -- Audit within three years -- Regulations.

The Committee Substitute to **HB 786** is as follows:

HB 786, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 138.210 is amended to read as follows:

As used in KRS 138.220 to 138.340, unless the context requires otherwise: (1) "Accountable loss" of gasoline means loss or destruction of "received" gasoline through wrecking of transportation conveyance, explosion, fire, flood or other casualty loss, or "received" gasoline contaminated and returned to storage; provided that any such loss shall have been reported within ten (10) days after discovery of such loss to the department in a manner and form prescribed by the department, supported by proper evidence which in the sole judgment of the department substantiates the alleged loss or contamination and which is confirmed in writing to the reporting dealer by the department. The department may make any investigation deemed necessary to establish the bona fide claim of the loss.

(2) "Dealer" means any person who:

(a) Imports into this state and stores, or causes to be imported into and stored in this state, gasoline for use, distribution or sale and delivery in this state after it has been stored in this state; provided that the term "dealer" as used in KRS 138.220 to 138.340 shall not include any person who imports gasoline acquired from a refiner or other supplier who, at the time of such importation, is a duly licensed dealer in this state, except as may otherwise be provided under regulations of the department.

(b) Receives or accepts delivery of gasoline within this state into bulk storage facilities owned or operated for the storage of gasoline for transhipment within or without this state.

(c) Refines, produces, distills, manufactures, blends or compounds gasoline in this state.

(d) Receives or accepts delivery within this state of gasoline for resale within this state in amounts of not less than an average of 100,000 gallons per month during any prior consecutive twelve (12) months' period, when in the opinion of the department, such person has sufficient financial rating and reputation to justify the conclusion that he will pay all taxes and comply with all other obligations imposed upon a dealer.

(3) "Department" means the department of revenue.

(4) "Gasoline" means all liquid fuels, including liquids ordinarily, practically and commercially usable in internal combustion engines for the generation of power, and all distillates of and condensates from petroleum, natural gas, coal, coal tar, vegetable ferments and all other products so usable except propane, butane or other liquefied petroleum gases, kerosene, cleaner solvent, fuel oil, diesel fuel and crude oil.

(5) "Received" or "received gasoline" shall have the following meanings:

(a) Gasoline produced, manufactured or compounded at any refinery in this state or gasoline acquired by any dealer and delivered into or stored in refinery, marine or pipeline terminal storage facilities in this state shall be deemed to be received when it has been loaded for bulk delivery into tank cars or tank trucks consigned to destinations within this state. For the purpose of the proper administration of this chapter and to prevent the evasion of the tax and to enforce the duty of the dealer to collect the tax, it shall be presumed that all gasoline loaded by any licensed dealer within this state into tank cars or tank trucks is consigned to destinations within this state unless the contrary is established by the dealer pursuant to rules and regulations prescribed by the department.

(b) Gasoline acquired by any dealer in this state, and not delivered into refinery, marine or pipeline terminal storage facilities, shall be deemed to be received when it has been placed into storage tanks or other containers for use or subject to withdrawal for use, delivery, sale or other distribution. Dealers may sell gasoline to licensed bonded dealers in this state in transport truckload, carload or cargo lots, withdrawing such gasoline from refinery, marine, pipeline terminal or bulk storage tanks, without paying the tax on such gasoline. In such instances the licensed bonded dealer purchasing such gasoline shall be deemed to have received such gasoline at the time of withdrawal from the seller's storage facility and shall be responsible to the state for the payment of the tax thereon and shall report and pay the tax on such gasoline purchased and received.

(6) "Refinery" means any place where gasoline is refined, manufactured, compounded or otherwise prepared for use.

(7) "Storage" means all gasoline produced, refined, distilled, manufactured, blended or compounded and stored at a refinery storage or delivered by boat at a marine terminal for storage or delivered by pipeline at a pipeline terminal, delivery station or tank farm for storage.

(8) "Transporter" means any person who transports gasoline on which the tax has not been paid or assumed.

(9) "Bulk storage facility" means gasoline storage facilities of not less than twenty thousand (20,000) gallons owned or operated at one (1) location by a single owner or operator for the purpose of storing gasoline for resale or delivery to retail outlets or consumers.

(10) "Average wholesale price" shall mean:

(a) The weighted average per gallon wholesale tank wagon price of gasoline, exclusive of the four cents (4) per gallon federal tax in effect on January 1, 1980, as determined by the department of revenue from information furnished by licensed gasoline dealers. Dealers shall furnish within twenty (20) days following the end of the first month of each calendar quarter, such information regarding wholesale selling prices for the previous month as may be reasonably required by the department.

(b) Notwithstanding the provisions of paragraph (a) of this subsection, for purposes of the taxes levied in KRS 138.220[~~, 138.565, 138.660~~] and 234.320, in no case shall "average wholesale price" be deemed to be less than one dollar and eleven cents ($1.11) per gallon, and in no case shall "average wholesale price" be deemed to be more than one dollar and fifty cents ($1.50) per gallon on or before June 30, 1982. In fiscal year 1982-83 the "average wholesale price" shall not be deemed to increase more than ten percent (10%) over the "average wholesale price" at the close of fiscal year 1981-82; in each subsequent fiscal year the "average wholesale price" shall not be deemed to increase more than ten percent (10%) over the "average wholesale price" at the close of the previous fiscal year.

(11) "Gasoline-alcohol blend" means a mixture of gasoline and fuel-grade alcohol in which the fuel-grade alcohol content is ten percent (10%) or less of the mixture.

(12) "Fuel-grade alcohol" means methyl alcohol or at least one hundred ninety-eight (198) proof ethyl alcohol derived from United States produced coal or United States produced renewable resources that is denatured in accordance with legal requirements and is used in an internal combustion engine.

Section 2. KRS 138.565 is amended to read as follows:

(1) An excise tax at the rate *of eleven and one-tenth cents (11.1) per gallon effective as of July 1, 1984,* [~~levied in KRS 138.220 and computed on the average wholesale price as defined in KRS 138.210(10)~~] is hereby levied and shall be paid by the special fuels dealer to the department:

(a) For all special fuels delivered into any tank or other container equipped with a hose or other apparatus designed to dispense such fuels into the fuel supply tank of a motor vehicle except when such deliveries are made to another licensed special fuels dealer. The tax imposed by this section shall not apply to special fuels delivered into storage facilities of consumers or persons engaged in the business of selling special fuels for use in motor vehicles when such special fuels are to be sold or used for nonhighway purposes and provided that the storage facilities for such special fuels have been approved and identified as nontaxable storage pursuant to regulations of the department provided that the department may not refuse to approve such nontaxable storage except for adequate cause.

(b) For all special fuels withdrawn by any special fuels dealer and dispensed into the fuel supply tank of a motor vehicle. An allowance of one percent (1%) of the tax shall be made to the special fuels dealer to cover unaccountable losses, bad debts, and handling and reporting the tax. For the purpose of the proper administration of this chapter and to prevent the evasion of the tax and to enforce the duty of the special fuels dealer to collect the tax, it shall be presumed that all special fuels delivered by any special fuels dealer within this state are taxable unless the contrary is established by the special fuels dealer pursuant to regulations prescribed by the department.

(2) *Effective as of April 1, 1986, the excise tax rate set out in subsection (1) of this section shall be increased to twelve cents (12) per gallon.*

(3) Notwithstanding the provisions of subsections (1) and (2) of this section, the amounts distributed pursuant to KRS 177.320(1) and (2) and KRS 177.365(1) shall be based upon a rate of ten cents (10) per gallon.

(4) No other excise or license tax shall be levied or assessed on special fuels by any political subdivision of the state.

Section 3. KRS 138.655 is amended to read as follows:

As used in KRS 138.655 to 138.725 and 138.990(17) and (18), unless the context requires otherwise:

(1) "Department" means department of transportation;

(2) "Person" includes every natural person, fiduciary, association, state or political subdivision, or corporation. Whenever used in any clause describing and imposing imprisonment the term "person" as applied to an association means and includes the partners or members thereof, and as applied to a corporation the officers thereof;

(3) "Public highway" means every way or place generally open to the use of the public as a matter of right for the purpose of vehicular travel notwithstanding that it may be temporarily closed or travel thereon restricted for the purpose of construction, maintenance, repair or reconstruction; also including all city streets, alleys and any way or place on which a toll is charged for using such way or place;

(4) "Motor vehicle" means any vehicle, machine or mechanical contrivance propelled by an internal combustion engine and licensed for operation and operated upon the public highways and any trailer or semitrailer attached to or having its front end supported by such motor vehicle;

(5) "Motor carrier" means every person who operates or causes to be operated on any highway in this state, any bus engaged in hauling passengers for hire operating under a certificate of convenience and necessity and any commercial truck or commercial tractor-trailer combination having a total of three (3) or more axles. The number of axles referred to herein shall include not only those axles on the power unit but if a tractor-trailer combination is involved, also those axles on the trailer or semitrailer;

(a) "Axle" as referred to herein means any two (2) or more load-carrying wheels mounted in a single transverse vertical plane;

(b) "Trailers and semitrailers" are those as defined in subsections (1) and (2) of KRS 186.650, except that it does not include those trailers defined in subsections (3) and (4) of KRS 186.650 and those exempted from regulation under KRS 186.675. The term "motor carrier" shall not mean or shall not include any person operating or causing to be operated a city bus except city buses operated across the border of the state of Kentucky;

(c) "Commercial" refers to any activity for business purposes;

(d) For the purposes of KRS 138.660(3), motor carriers, trailers and semitrailers shall not mean a farm vehicle as defined in KRS 186.050(4).

(6) "City bus" means any motor vehicle used for the transportation of persons for hire exclusively within the limits of any city or within ten (10) miles of its limits over a regular route and exclusively within the boundaries of this state;

(7) "Heavy equipment motor carrier" means any person who operates on the public highways of this state as a "motor carrier" as defined in subsection (5) of this section, except that it shall not include motor vehicles used to transport persons for hire;

(8) "Trip permit" means a permit for the operating during a ten (10) consecutive day period of any motor vehicle of any "heavy equipment motor carrier" not licensed under KRS 138.665;

(9) "Licensee" means for purposes of KRS 138.655 to 138.725 any person who has been granted a license as a "motor carrier" or a "heavy equipment motor carrier," or any motor vehicle in which a valid trip permit is carried;

(10) "Use" means the consumption of gasoline and special fuels in propelling motor vehicles on the public highways;

(11) "Gasoline" means gasoline as defined in KRS 138.210 (4);

(12) "Special fuels" means and includes all combustible gases and liquids used for the generation of power in an internal combustion engine to propel vehicles of any kind upon the public highways, except that it does not include gasoline as defined in KRS 138.210(4) *or liquefied petroleum gas as defined in KRS 234.310*;

(13) "Quarterly" for the purposes of KRS 138.655 to 138.725 means a three (3) month period ending June 30 in the year 1956 and each succeeding three (3) month period thereafter[~~; except that for the purposes of the taxes imposed under KRS 138.660(3), "quarterly" shall mean the period beginning July 15, 1982, and ending September 30, 1982 and each succeeding three (3) month period thereafter;~~

~~(14) "Combined licensed weight" shall mean the greater of:~~

~~(a) The declared combined maximum gross weight of the vehicle and any towed unit for registration purposes for the current registration period; or~~

~~(b) The highest actual combined gross weight of the vehicle and any towed unit when operated on the public highways of the state during the current registration period~~].

Section 4. KRS 138.660 is amended to read as follows:

(1) Every motor carrier shall pay a tax at the rate levied in KRS 138.220 and computed on the average wholesale price as defined in KRS 138.210(10) on the amount of gasoline and, *effective July 1, 1984, pay eleven and one-tenth cents (11.1) per gallon* [~~at the same rate~~] on the amount of special fuels used in operations on the public highways of this state.

(2) Effective as of April 1, 1986, the excise tax rate set out in subsection (1) of this section for special fuels shall be increased to twelve cents (12) per gallon.

(3) Notwithstanding the provisions of subsections (1) and (2) of this section, the amounts distributed pursuant to KRS 177.320(1) and (2) and KRS 177.365(1) shall be based upon a rate of ten cents (10) per gallon.

(4) In addition to the tax imposed in subsection (1) of this section, if the motor carrier is a heavy equipment motor carrier as defined in KRS 138.655, he shall pay a surtax at the rate of two percent (2%) of the average wholesale price as provided in subsection (1), on the amount of gasoline and, *effective July 1, 1984, two and three tenths cents (2.3) per gallon on the amount of* special fuels used in operations on public highways of this state.

(5) Effective as of April 1, 1986, the surtax on special fuels, as set out in subsection (4) of this section, shall be increased to two and four tenths cents (2.4) per gallon on the amount of special fuels used in operations on the public highways of this state. [~~(3) (a) In addition to the tax imposed in subsections (1) and (2) of this section, every motor carrier shall pay the weight distance tax as set forth in this section on the amount of gasoline and special fuels in operations on the public highways of this state.~~

~~(b) The weight distance tax shall be computed as follows on the combined licensed weight of the motor vehicle and trailers or semitrailers as defined in KRS 138.665: The rate shall be 2.85 cents (0.285) per mile, for combined licensed weights in excess of fifty nine thousand nine hundred and ninety nine (59,999) pounds.~~]

(6) Notwithstanding the provisions of subsections (4) and (5) of this section, the amounts distributed pursuant to KRS 177.320(1) and (2) and KRS 177.365(1) shall be based upon a rate of two and two tenths cents (2.2) per gallon.

(7)[~~(4)~~] The tax levied under subsections (1), (2), *(4) and (5)* [~~(3)~~] of this section shall be computed and paid as provided in KRS 138.690.

Section 5. KRS 138.665 is amended to read as follows:

(1) A license shall be required of each motor carrier or heavy equipment motor carrier subject to the provisions of KRS 138.660(1)[~~,~~] *and (4)* [~~(2) and (3)~~] before he uses or continues to use the public highways of this state, except the department may issue a trip permit for each motor vehicle for a fee of twenty dollars ($20.00) for each permit.

(2) Application for a license or trip permit shall be made to the department and shall contain such information as the department deems necessary.

(3) Concurrently with the filing of an application for a license, the motor carrier or heavy equipment motor carrier shall file with the department a bond as required under KRS 138.670. No license shall be issued to any person unless such person has furnished a bond as provided in KRS 138.670 to secure payment of taxes, penalties and interest imposed by KRS 138.655 to 138.725.

(4) The application in proper form having been accepted for filing, the bond having been accepted and approved and the other conditions and requirements of this section having been complied with, the department shall issue a license. However, if an application for a license is filed by any person whose license has at any time previously been revoked for cause by the department, or if the department is of the opinion that the person who makes the application does so as a subterfuge for the real party in interest whose license, prior to the time of filing the application, has been revoked for cause, or that the application is not for any other reason filed in good faith or is not sufficient cause, the department may, after a hearing of which the applicant shall be given ten (10) days' notice in writing and in which he shall have the right to appear in person or by counsel and present testimony, refuse to issue a license to that person.

(5) All licenses shall be valid and remain in full force and effect until suspended or revoked for cause or otherwise canceled.

(6) A license shall not be assignable or transferable and shall be valid only for the person in whose name it is issued.

(7) The department shall keep and file all applications and bonds, with an alphabetical index thereof.

(8) Each holder of such license shall display such license number or other identification in the manner prescribed by the department.

Section 6. KRS 138.690 is amended to read as follows:

[~~(1)~~] The tax imposed by subsections (1), [~~and~~] (2), *(4) and (5)* of KRS 138.660 shall be determined as follows: The total number of gallons of gasoline and special fuels used during the taxable period in the licensee's operations on the public highways in Kentucky shall be multiplied by the tax rate.

[~~(2) The tax imposed by KRS 138.660(3) shall be determined by the total number of miles driven during the taxable period in the licensee's operations on public highways in Kentucky and shall be multiplied by the combined licensed weight tax rate.~~]

Section 7. KRS 138.695 is amended to read as follows:

(1) Every licensee subject to the tax imposed by subsections (1)[~~,~~] *and (4)* [~~(2) and (3)~~] of KRS 138.660 shall be entitled to a credit for each quarterly period beginning on and after July 1, 1980, equivalent to the tax rate levied in KRS 138.220 and computed on the average wholesale price as defined in KRS 138.210(10) on gasoline and, *effective as of July 1, 1984, eleven and one tenth cents (11.1) per gallon on* special fuels purchased by such licensee during such period for use in its operations, provided such gasoline and special fuels were purchased in Kentucky during the same period and the tax imposed by KRS 138.220, 138.565, and 234.320 has been paid. Evidence of the payment of such tax in such form as may be required by or satisfactory to the department shall be furnished by each such licensee claiming the credit herein allowed.

(2) *Effective as of April 1, 1986, the credit allowed in subsection (1) of this section for special fuels shall increase to twelve cents (12) per gallon.*

(3) Notwithstanding the provisions of subsections (1) and (2) of this section, the amounts distributed pursuant to KRS 177.320(1) and (2) and 177.365(1) shall be based upon a rate of ten cents (10) per gallon.

(4) The department shall at the close of each quarterly period, ending September 30, December 31, March 31, and June 30, compute all credits granted by the department during such quarter, which credits shall be except as provided in subsection (3), applied only to taxes due on the report filed for the next quarter.

(5)[~~(3)~~] If the credit or credits referred to in subsections (1) and (2) would expire solely by reason of the lapse of time allowed in subsection (2), then the balance of any credit shall be refunded to the licensee, provided application therefor and all necessary information shall be filed with the department within sixty (60) days after the time the credit would otherwise expire as provided in subsection (2) except a credit shall not be refunded to the licensee, where, as estimated by the department, the cost to the department of making the refund would exceed the amount of the refund.

(6)[~~(4)~~] In order to facilitate administration of the credits and refunds allowed herein, the department shall prescribe what records must be kept by the licensee or any other person and the department shall also prescribe the form and content of said records and any reports to be made relative thereto.

Section 8. KRS 186.050 is amended to read as follows:

(1) The annual registration fee for motor vehicles, including taxicabs, airport limousines and U-Drive-Its, primarily designed for carrying passengers and having provisions for not more than nine (9) passengers, including the operator, shall be eleven dollars and fifty cents ($11.50).

(2) The annual registration fee for each motorcycle shall be five dollars ($5.00), and for each sidecar attachment, three dollars ($3.00).

(3) (a) All motor vehicles having a declared gross weight of vehicle and any towed unit of six

thousand (6,000) pounds or less except those mentioned in subsections (1) and (2) of this section and those engaged in hauling passengers for hire, operating under certificates of convenience and necessity, are classified as commercial vehicles and the annual registration fee, except as provided in subsections (4) to (14) hereof, shall be eleven dollars and fifty cents ($11.50).

(b) All motor vehicles except those mentioned in subsections (1) and (2) of this section, and those engaged in hauling passengers for hire, operating under certificates of convenience and necessity, are classified as commercial vehicles and the annual registration fee, except as provided in subsections (3)(a) and (4) to (14) hereof, shall be as follows:

Declared Gross Weight of Vehicle Registrationand
62,001-73,280 *1,050.00*[~~750.00~~]73,281-82,000 *1,200.00*[~~840.00~~]

(4) (a) Any farmer owning a truck having a gross weight of thirty-eight thousand (38,000) pounds or less may have it registered as a farmer's truck and obtain a license for eleven dollars and fifty cents ($11.50). The applicant's signature upon the certificate of registration and ownership shall constitute a certificate that he is a farmer engaged solely in the production of crops, livestock or dairy products, that he owns a truck of the gross weight of thirty-eight thousand (38,000) pounds or less, and that during the next twelve (12) months the truck will be used only in transporting persons, food, provender, feed, machinery, livestock, material and supplies necessary for his farming operation, and the products grown on his farm.

(b) Any farmer owning a truck having a declared gross weight in excess of thirty-eight thousand (38,000) pounds shall not be required to pay the fee set out in subsection (3) of this section and, in lieu thereof, shall pay forty percent (40%) of the fee set out in subsection (3) hereof and shall be exempt from any fee charged under the provisions of KRS 281.752. The applicant's signature upon the registration receipt shall be considered to be a certification that he is a farmer engaged solely in the production of crops, livestock or dairy products, and that during the current registration year the truck will be used only in transporting persons, food, provender, feed and machinery used in operating his farm and the products grown on his farm.

(5) Any person owning a truck or bus used solely in transporting school children and school employes may have the truck or bus registered as a school bus and obtain a license for eleven dollars and fifty cents ($11.50) by filing with the county clerk, in addition to other information required, an affidavit stating that the truck or bus is used solely in the transportation of school children and persons employed in the schools of the district, that he has caused to be printed on each side of the truck or bus and on the rear door the words "School Bus" in letters at least six (6) inches high and of a conspicuous color and the truck or bus will be used during the next twelve (12) months only for the purpose stated.

(6) Any church or religious organization owning a truck or bus used solely in transporting persons to and from a place of worship or for other religious work may have the truck or bus registered as a church bus and obtain a license for eleven dollars and fifty cents ($11.50) by filing with the county clerk, in addition to other information required, an affidavit stating that the truck or bus will be used only for the transporting of persons to and from a place of worship, or for other religious work, and that there has been printed on the truck or bus in large letters the words "Church Bus," with the name of the church or religious organization owning and using the truck or bus, and that during the next twelve (12) months the truck or bus will be used only for the purpose stated.

(7) Any person owning a motor vehicle on which a wrecking crane and other equipment suitable for [~~an automobile~~] wrecker service has been permanently mounted may register the vehicle and obtain a license for eleven dollars and fifty cents ($11.50) by filing with the county clerk, in addition to other information required, an affidavit that a wrecking crane and other equipment suitable for [~~an automobile~~] wrecker service has been permanently mounted on such vehicle and that during the next twelve (12) months the vehicle will be used only in [~~automobile~~] wrecker service.

(8) Motor vehicles having a declared gross weight in excess of eighteen thousand (18,000) pounds, which when operated in this state are used exclusively for the transportation of property within the limits of the city named in the affidavit hereinafter required to be filed, or within ten (10) miles of the city limits of the city if it is a city of the first, second, third, or fourth class, or within five (5) miles of its limits if it is a city of the fifth or sixth class, shall not be required to pay the fee as set out in subsection (3) of this section, and in lieu thereof shall pay *sixty percent (60%)* [~~forty percent (40%)~~] of the fee set forth in subsection (3) hereof and shall be exempt from any fee charged under the provisions of KRS 281.752. Nothing in this section shall be construed to limit any right of nonresidents to exemption from registration under any other provisions of the laws granting reciprocity to nonresidents. Operations outside of this state shall not be considered in determining whether or not the foregoing mileage limitations have been observed. When claiming the right to the reduced fee, the applicant's signature on the certificate of registration and ownership shall constitute a certification or affidavit stating that the motor vehicle when used within this state is used only for the transportation of property within the city to be named in the affidavit and the area above set out and that the vehicle will not be used outside of a city and the area above set out during the current registration period.

(9) Motor vehicles having a declared gross weight in excess of eighteen thousand (18,000) pounds, [~~which are used exclusively for the transportation of coal from the point at which such coal is mined to a railhead or tipple, where such railhead or tipple is located at a point not more than fifty (50) air miles from the point at which such coal is mined, or~~] which are used exclusively for the transportation of primary forest products from the harvest area to a mill or other processing facility, where such mill or processing facility is located at a point not more than fifty (50) air miles from the harvest area or which are used exclusively for the transportation of concrete blocks or ready mixed concrete from the point at which such concrete blocks or ready mixed concrete is produced to a construction site where such concrete blocks or ready mixed concrete is to be used, where such construction site is located at a point not more than thirty (30) air miles from the point at which such concrete blocks or ready mixed concrete is produced shall not be required to pay the fee as set out in subsection (3) of this section, and in lieu thereof shall pay *sixty percent (60%)* [~~forty percent (40%)~~] of the fee set out in subsection (3) hereof and shall be exempt from any fee charged under the provisions of KRS 281.752. The applicant's signature upon the certificate of registration and ownership shall constitute a certification that the motor vehicle will not be used during the current registration period in any manner other than that for which the reduced fee is provided in this section.

(10) [~~Motor vehicles used exclusively for the transportation and delivery of motor vehicles, not including trailers and semitrailers, by means of the full amount or truckaway methods on trailers or semitrailers, shall pay an amount equal to three-fourths (3/4) of the fee set out in subsection (3) hereof. Any applicant for such registration shall present to the county clerk a certification from the cabinet that the vehicle may be licensed in accordance herewith. No clerk shall issue registrations under this section without attaching a copy of the department's certification to the transportation cabinet's copy of the certificate of registration and ownership.~~

~~(11)~~] Any owner of a commercial vehicle registered for a declared gross weight in excess of eighteen thousand (18,000) pounds, intending to transfer same and desiring to take advantage of the refund provisions of KRS 186.056(2) may reregister such vehicle and obtain a "For Sale" certificate of registration and ownership for one dollar ($1.00). Title to a vehicle so registered may be transferred, but such registration shall not authorize the operation or use of the vehicle on any public highway. No refund may be made under the provisions of KRS 186.056(2) until such time as the title to such vehicle has been transferred to the purchaser thereof. Provided, however, that nothing herein shall be so construed as to prevent the seller of a commercial vehicle from transferring the registration of such vehicle to any purchaser thereof.

(11)[~~(12)~~] The annual registration fee for self-propelled vehicles containing sleeping or eating facilities shall be twenty dollars ($20.00) and the tag issued shall be designated "Housecar." Provided, however, that the foregoing shall not include any motor vehicle primarily designed for commercial or farm use having temporarily attached thereto any such sleeping or eating facilities, or any commercial vehicle having sleeping facilities.

(12)[~~(13)~~] The registration fee on any vehicle registered under this section shall be increased fifty percent (50%) when such vehicle is not equipped wholly with pneumatic tires.

(13)[~~(14)~~] (a) The department of vehicle regulation is authorized to negotiate and execute an agreement or agreements with other jurisdictions for the purpose of developing and instituting proportional registration of motor vehicles engaged in interstate commerce, or in a combination of interstate and intrastate commerce, and operating into, through or within the Commonwealth of Kentucky. The agreement or agreements may be made on a basis commensurate with, and determined by, the miles traveled on, and use made of, the highways of this Commonwealth as compared with the miles traveled on and use made of highways of other states, or upon any other equitable basis of proportional registration. Notwithstanding the provisions of KRS 186.020, the cabinet shall promulgate regulations concerning the registration of motor vehicles under any agreement or agreements made under this section and shall provide for direct issuance by it of evidence of payment of any registration fee required under such agreement or agreements. Any proportional registration fee required to be collected under any proportional registration agreement or agreements shall be in accordance with the taxes established in this section.

(b) Any owner of a commercial vehicle who is required to title his motor vehicle under this section shall first title such vehicle with the county clerk pursuant to KRS 186.020 for a state fee of one dollar ($1.00). Title to such vehicle may be transferred, however title, without proper registration, shall not authorize the operation or use of the vehicle on any public highway. Any commercial vehicle properly titled in Kentucky may also be registered in Kentucky, and, upon payment of the required fees, the department may issue an apportioned registration plate to such commercial vehicle.

(c) Any commercial vehicle that is properly titled in a foreign jurisdiction, which vehicle is subject to apportioned registration as provided in (a) of this subsection may be registered in Kentucky, and, upon proof of proper title, and payment of the required fees, the department may issue an apportioned registration plate to such commercial vehicle. The department shall promulgate regulations in accordance with this section.

Section 9. KRS 281.752 is amended to read as follows:

(1) In addition to the payment of any other fees required by law, the bureau shall prescribe and charge a fee, of *ten dollars ($10.00) per vehicle* [~~twenty dollars ($20.00) in each instance,~~] for the issuance of

such identifying plates, decals, cards, *stickers,* signs, *insignias* or papers, for the identification of motor vehicles, *except taxicabs, operating pursuant to a certificate or permit issued by the interstate commerce commission or the department* [~~as defined in KRS 281.011(3), (4) and (5) and KRS 138.655(5) and (7) which vehicles have been qualified for, and have been granted reciprocal privileges in Kentucky in regard to motor vehicle registration fees and highway use taxes.~~] The commissioner may by reciprocal agreement with the proper officials of other jurisdictions waive such fees applicable to residents of such other jurisdictions which afford like privileges to residents of Kentucky.

(2) The provisions of subsection (1) of this section shall become effective on January 1, 1985.

SECTION 10. A NEW SECTION OF KRS CHAPTER 138 IS CREATED TO READ AS FOLLOWS:

(1) The department shall prescribe and charge an annual fee of twenty dollars ($20) per vehicle, for the issuance of such identifying plates, decals, cards, stickers, signs, insignia or papers for the identification of motor vehicles that are subject to the provision of KRS 138.660.

(2) The provisions of subsection (1) of this section shall become effective on January 1, 1985.

SECTION 11. A NEW SECTION OF KRS CHAPTER 138 IS CREATED TO READ AS FOLLOWS:

The department, upon petition by any person having an interest in the subject matter, by official order, after notice and a public hearing, shall establish the percentage of tax paid fuel which is burned by auxiliary equipment on a motor vehicle while being operated upon the public highways of this state. Such percentage shall be credited against the taxes required to be paid under the provisions of KRS 138.660.

Section 12. KRS 47.020 is amended to read as follows:

Thirty percent (30%) of all revenue raised by the tax imposed by subsections (3) through *(13)* [~~(14)~~] of KRS 186.050 shall be evenly distributed among all the counties for the county road funds, *but in no case shall such revenues exceed the amounts distributed based upon fiscal year 1983-84 receipts.*

Section 13. KRS 177.320 is amended to read as follows:

(1) Twenty-two and two-tenths percent (22.2%) of all funds arising from the imposition of taxes provided by KRS 138.220, 138.565, 138.660[~~(1) and (2)~~] and 234.320 shall be set aside for the construction, reconstruction and maintenance of secondary and rural roads and for no other purpose, and shall be expended for said purposes by the transportation cabinet of the Commonwealth of Kentucky according to the terms and conditions prescribed in KRS 177.330 to 177.360.

(2) On or after July 1, 1980, fifteen and six-tenths percent (15.6%) of all funds arising from the imposition of taxes provided by KRS 138.220, 138.565, 138.660 and 234.320 shall be set aside for the construction, reconstruction and maintenance of county roads and bridges provided by KRS 179.410 through 179.415.

Section 14. KRS 177.365 is amended to read as follows:

(1) On and after July 1, 1980, six and seven-tenths percent (6.7%) of all amounts received from the imposition of the taxes provided for in KRS 138.220, 138.565, 138.660 [~~(1) and (2)~~] and 234.320 shall be set aside by the finance and administration cabinet for the construction, reconstruction and maintenance of urban roads and streets and for no other purpose.

(2) As used in this section unless the context requires otherwise "construction," "reconstruction," and "maintenance" mean the supervising, inspecting, actual building, and all expenses incidental to the construction, reconstruction, or maintenance of a road or street, including planning, locating, surveying, and mapping or preparing roadway plans, acquisition of rights-of-way, relocation of utilities, lighting and the elimination of other hazards such as roadway grade crossings, and all other items defined in the department of highways, design, operations, and construction manuals.

(3) "Urban roads" mean all public ways lying within the limits of the unincorporated urban place as described by the bureau of census tracts.

(4) "Streets" mean all public ways which have been designated by the incorporated city as being city streets and said streets lying within the boundaries of an incorporated city.

SECTION 15. A NEW SECTION OF KRS CHAPTER 138 IS CREATED TO READ AS FOLLOWS:

(1) The provisions of subsection (10)(b) of Section 1 of this Act shall become applicable as of July 1, 1984.

(2) Unless otherwise provided therein, the provisions of Sections 3, 4, 5 and 6 of this Act shall become applicable as of October 1, 1984.

Section 16. KRS 138.755 is amended to read as follows:

(1) Within thirty (30) days subsequent to the enactment of federal law either decreasing gasoline, diesel, or special motor fuels tax rates, or increasing related tax credits, the attorney general of this state shall issue a finding confirming such a federal action and detailing the amount of such a tax rate reduction or tax credit increase. Within thirty (30) days subsequent to such an attorney general's finding, the department of revenue shall formally announce the extent by which the corresponding state gasoline, special fuels, or liquefied petroleum gas motor fuels taxes shall be increased pursuant to the provisions of KRS 138.220(2),

138.565*(4)*[~~(3)~~], 138.660*(4)*[~~(2)~~] and 234.320(2).

(2) KRS 138.220(2), 138.565*(4)*[~~(3)~~], 138.660*(4)*[~~(2)~~] and 234.320(2) shall become effective ninety (90) days subsequent to the enactment of federal law which either decreases gasoline, diesel, or special motor fuels tax rates, or increases related tax credits.

Section 17. KRS 177.595 is amended to read as follows:

The bonds herein provided for shall be direct obligations of the Commonwealth of Kentucky, and the full faith and credit of the Commonwealth hereby is pledged for the payment of said bonds and the interest thereon. In order to provide for the payment of the principal of all of said bonds at their maturity and the interest thereon annually as same shall accrue, there shall be levied and collected in each of the thirty (30) years from January 1, 1957, to January 1, 1987, taxes for the benefit of the state road fund in the form of license, excise taxes and fees relating to registration, operation and use of vehicles on public highways and excise taxes, use and license taxes relating to gasoline and other motor fuels used upon the public highways in Kentucky at rates not less than the rates now imposed by law or so adjusted as to produce for the road fund not less than the amount now derived from all of such taxes. All funds derived from such taxes hereby are appropriated to the extent necessary for the payment of the principal and interest on said bonds. From the funds derived from said taxes in each year, beginning January 1, 1957, there shall be set aside and held inviolable for that purpose, a fund sufficient to pay the principal and interest on said bonds in each year as and when due until all of said bonds and the interest thereon shall have been paid in full. In each year, after setting aside the funds hereinabove provided, the remainder of the funds derived from such taxes may be expended and used for the cost of administration, statutory refunds and adjustment, payment of highway obligations, costs of construction, reconstruction, right-of-ways, maintenance and repair of public highways, tunnels and bridges and the expense of enforcing state traffic and motor vehicle laws, provided that all the funds collected under KRS Chapter 138 and required by KRS 138.220, 138.565*(4)*[~~(2)~~] and 138.660*(4)*[~~(2)~~] to be set aside by the bureau of highways for the construction, reconstruction and maintenance of rural and secondary roads shall be first set aside and used for such purposes.

Section 18. KRS 136.120 is amended to read as follows:

(1) Every railway company, sleeping car company, chair car company, dining car company, gas company, water company, ferry company, bridge company, street railway company, interurban electric railroad company, express company, electric light company, electric power company, telephone company, telegraph company, *bus line company, regular and irregular route common carrier trucking company,* commercial air carrier, air freight carrier, pipeline company, common carrier water transportation company, privately owned regulated sewer company, cable television company, and every other like company or business performing any public service, except [~~bus line companies, regular and irregular route common carrier trucking companies, and~~] taxicab companies, shall annually pay a tax on its operating property to the state and to the extent such property is liable to taxation shall pay a local tax thereon to the county, incorporated city, and taxing district in which its operating property is located.

(2) The property of such taxpayers shall be classified as operating property, nonoperating tangible property, and nonoperating intangible property. Nonoperating intangible property within the taxing jurisdiction of the Commonwealth shall be taxable for state purposes only at the same rate as the intangible property of other taxpayers not performing public services, and operating property and nonoperating tangible property shall be subject to state and local taxes at the same rate as the tangible property of other taxpayers not performing public services.

(3) The department of revenue shall have sole power to value and assess all of the property of every corporation, company, association, partnership, or person performing any public service, including those enumerated above and all others to whom this section may apply, whether or not such operating property, nonoperating tangible property, or nonoperating intangible property has heretofore been assessed by said department, and shall, except as provided in subsection (4) of this section, allocate such assessment as provided by KRS 136.170, and shall certify operating property liable to local taxation and nonoperating tangible property to the counties, cities, and taxing districts as provided in KRS 136.180. All of the property assessed by the department pursuant to this section shall be assessed as of December 31 each year for the following year's taxes, and the lien therefor shall attach as of such assessment date. Provided, however, that in the case of a taxpayer whose business is predominantly nonpublic service and the public service business in which he is engaged is merely incidental to his principal business, the department shall in the exercise of its judgment and discretion determine, from evidence which it may have or obtain, what portion of the operating property is devoted to the public service business subject to assessment by the department under this section and shall require the remainder of the property not so engaged to be assessed by the local taxing authorities.

(4)(a) The department of revenue shall likewise have sole power to value and assess all the property within the taxing jurisdiction of this commonwealth of every passenger, sleeping, freight, and private car company, which is hereby defined as any company, other than a railroad company, which owns, uses, furnishes, leases, rents, or operates to, from, through, in or across this state or any part thereof, any kind of railroad car including but not necessarily limited to flat, tank, refrigerator, passenger, or similar type car. The department shall not certify the assessment of the rolling stock of such companies to any county, city, or taxing district, but shall apportion and certify the operating property, other than rolling stock, to the counties, cities, and taxing districts where such property is located. On or before November 1, 1984, and each year thereafter, the department of revenue shall establish the state tax rate for rolling stock of private car lines based on average tax rate for tangible personal property except motor vehicles, within the Commonwealth subject to state, county, school and applicable city levy. The rolling stock of such companies shall be taxable for state purposes only and shall not be subject to taxation by a county, city, or other taxing district.

(b) The property of taxpayers within the meaning of paragraph (a) of this subsection shall likewise be classified as operating property, nonoperating tangible property, and nonoperating intangible property. The nonoperating intangible property of the companies within the meaning of this subsection which are within the taxing jurisdiction of the Commonwealth shall be taxable for state purposes at the same rate as the intangible property of nonpublic service taxpayers.

SECTION 19. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOWS:

(1) Any person transporting coal, who has obtained a motor vehicle registration issued pursuant to the provisions of this Act, may operate on any road or bridge covered by a cooperative agreement, as provided in Section 24 of this Act, and on those roads whose weights are prescribed in KRS 189.221 which are utilized as part of the transportation route of the person, up to the limits of the vehicle registration license.

(2) The secretary of transportation may restrict or regulate traffic on the coal transportation system in such a manner as is reasonably necessary to promote the safety and convenience of the travelling public.

(3) The transportation cabinet shall have any and all necessary power and authority subject to appropriate provision of the statutes, to promulgate regulations and institute such programs as are reasonably necessary to carry out the provisions of Sections 19 through 25 of this Act.

SECTION 20. KRS 177.972 IS REPEALED, REENACTED AND AMENDED TO READ AS FOLLOWS:

(1) [~~On or before August 15, 1982, and each year thereafter,~~] The transportation cabinet shall publish a directory, including supporting maps and other documents, designating the official *coal* [~~natural resources~~] road system in *coal* [~~natural resources~~] impact and *coal* [~~natural resources~~] producing counties which shall include all public highways, roads, *bridges* and streets over which quantities of *coal* [~~natural resources,~~] sufficient to significantly affect the condition and state of repair of such highways, roads, *bridges* and streets[~~,~~] have been transported in the immediately preceding [~~fiscal~~] year. The cabinet shall further publish the total county mileage of the official *coal* [~~natural resources~~] road system and the total ton-miles within each *coal* [~~natural resources~~] impact and *coal* [~~natural resources~~] producing county for said preceding [~~fiscal~~] year.

(2) Every person, *producer or processor* shipping or transporting *coal* [~~natural resources, and every carrier hired or common carrier hauling natural resources~~] over the public highways, roads, *bridges* and streets, shall file with the transportation cabinet such information and at such intervals as the cabinet shall designate by regulation duly adopted for the purpose of identifying those highways, roads, and streets comprising the *coal* [~~natural resources~~] road system and the quantities of *coal* [~~natural resources~~] transported thereon, in order that the cabinet can accurately calculate total ton-miles within each *coal* [~~natural resource~~] impact and *coal* [~~natural resource~~] producing county. *A copy of the information furnished to the natural resources and environmental protection cabinet pursuant to the permitting requirements of KRS Chapter 350 regarding public road transportation plan may, subject to its approval, be submitted to the transportation cabinet to satisfy the reporting requirements of this subsection and such transportation plan shall be annually updated to reflect in route changes.* [~~Unless an employe-employer relationship otherwise exists, the securing of a natural resource recovery road permit under KRS 189.276 shall not be construed as establishing such a relationship between the individual or entity securing the permit and the individual or entity hauling under the permit.~~

~~(3) The department of revenue shall make available to the transportation cabinet coal severance and processing tax and natural resource and processing tax data for use in verifying and supplementing the information furnished under the provisions of subsection (2) above. The information shall be furnished in such a manner as to conceal the identity of individual taxpayers; in the event the data cannot be furnished without revealing the identity of an individual taxpayer, it shall be withheld.~~]

SECTION 21. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOWS:

All revenues generated pursuant to Sections 24 and 25 of this Act shall be credited to a special account within the road fund called the "coal recovery road fund" and any additional funds obtained through state appropriation, gifts, grants and federal funds may be credited to the special account, and shall be used, in addition to those road funds normally used for said highways, exclusively by the transportation cabinet for those costs attendant to highway purposes for roads covered by any cooperative agreements under Section 19 of this Act. All funds in the account shall be carried forward at the end of each year.

SECTION 22. A NEW SECTION OF KRS CHAPTER 186 IS CREATED TO READ AS FOLLOWS:

(1) Motor vehicles exceeding the gross axle weight limits prescribed by KRS 189.222 having a declared gross weight in excess of eighty-thousand (80,000) pounds, which are used exclusively for the transportation of coal from the point at which such coal is mined or processed to a railhead, tipple, processing plant, storage yard or consumer in accordance with the cooperative agreement covering the authorization to operate such vehicle in excess of KRS 189.222 and on those roads whose weights are prescribed in KRS 189.221 which are utilized as a part of the transportation route of said motor carrier, shall, in addition to the payment of the registration fee for an eighty thousand (80,000) pound truck as specified in KRS 186.050(3), also pay an additional fee of fifty dollars ($50) for each type of motor carrier as set forth below:

(a) Motor carrier with steering and one (1) tandem axle shall be limited to a gross weight of ninety thousand (90,000) pounds with a tolerance of five percent (5%);

(b) Motor carriers with steering and three (3) axles shall be limited to a gross weight of one hundred thousand (100,000) pounds with a tolerance of five percent (5%);

(c) Motor carriers with steering and four (4) or more axles shall be limited to a gross weight of one hundred twenty thousand (120,000) pounds with a tolerance of five percent (5%).

(d) Any motor carrier issued a registration pursuant to this section shall be authorized to exceed the gross weight limits, gross axle weight limits, or the tire weight limits prescribed by the commissioner of highways pursuant to KRS 189.222 on those state maintained highways for which a cooperative agreement has been executed pursuant to Section 24 of this Act and on those roads whose weights are prescribed in KRS 189.221 which are utilized as part of the transportation route of said motor carriers.

(2) Any motor carrier involved in the transportation of coal which meets gross axle weights of twenty thousand (20,000) pounds per axle and twelve thousand (12,000) pounds for the steering axle may register in excess of eighty thousand (80,000) pounds by payment of the registration fee prescribed by KRS 186.050(3), plus an additional fee of fifteen dollars ($15) per thousand (1,000) pounds of registered weight above eighty thousand (80,000) pounds.

(3) Nothing in this Act shall be construed to jeopardize the receipts of federal funds for highway purposes and the secretary of transportation shall not act in any manner which would jeopardize federal highway funds to be received by the Commonwealth. In no event shall any vehicle operate on a federal interstate highway in excess of those weight limits prescribed in KRS 189.222(6) regardless of whether or not a cooperative agreement has been executed.

Section 23. KRS 186.990 is amended to read as follows:

(1) Any person who violates any of the provisions of KRS 186.020, 186.030, 186.040, 186.045(5), 186.050, 186.056, 186.060, 186.070, 186.110, 186.130, 186.140, 186.150, 186.160, 186.170, 186.180, 186.210, 186.230, or 186.655 to 186.680 shall be fined not less than twenty dollars ($20.00) nor more than one hundred dollars ($100) for each offense.

(2) Any person who violates any of the provisions of KRS 138.465, 186.190, or 186.200 shall be fined not less than twenty dollars ($20.00) nor more than two thousand dollars ($2,000) or imprisoned for not more than one (1) year, or both.

(3) Unless another penalty is provided by law, any person who violates any of the provisions of KRS 186.400 to 186.640 shall be fined not less than twelve dollars ($12.00) nor more than five hundred dollars ($500) or imprisoned for not more than six (6) months, or both.

(4) Any clerk or judge failing to comply with subsection (1) of KRS 186.550 shall be subject to a penalty of one hundred dollars ($100) which shall accrue to the state and may be recovered with costs of the suit in a civil action brought by the cabinet.

(5) If it appears to the satisfaction of the trial court that any offender under KRS 186.400 to 186.640 has a driver's license but in good faith failed to have same on his or her person or misplaced or lost same, the court may, in its discretion, dismiss the charges against the defendant without fine, imprisonment or cost.

(6) Any person who steals a motor vehicle registration plate shall be guilty of a felony and shall be confined in the penitentiary for not less than one (1) nor more than five (5) years. Displaying a canceled registration plate on a motor vehicle shall be prima facie evidence of guilt under this section.

(7) Any person who violates the provisions of KRS 186.1911 shall be guilty of a Class A misdemeanor.

(8) Any person who makes a false affidavit to secure a license plate under KRS 186.172 shall be fined not less than one hundred dollars ($100) nor more than five hundred dollars ($500) or imprisoned for a period of six (6) months.

(9) Any person who violates any provision of Section 19 or 22 of this Act shall be fined not less than five hundred dollars ($500) and not more than one thousand dollars ($1000) for each offense.

(10) Any person engaged in transporting coal and any operator or processor which permits coal to be transported in violation of Section 25 of this Act shall be fined not less than two hundred fifty dollars ($250) and not more than five hundred dollars ($500).

SECTION 24. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOWS:

(1) The transportation cabinet is authorized to enter into cooperative agreements with any person engaged in the mining, processing, transporting or sale of coal providing for the transportation of coal in vehicles exceeding the maximum weight limits on the state maintained system. Such cooperative agreements shall provide for an equitable apportionment of the incremental costs for design, maintenance, construction or reconstruction of those roads and bridges, except those roads and bridges which are part of the federal interstate highway system, resulting from the transportation of coal by trucks transporting coal in excess of the maximum weight limits on the state maintained system and covered by the cooperative agreement. Nothing contained herein shall effect the continuing validity of any existing agreement.

(2) Any area of dispute arising under a cooperative road agreement, excluding the weight bearing capacity of a bridge, which cannot be resolved between the parties shall be submitted to an arbitration panel, which shall consist of one (1) arbitrator appointed by the commissioner of the department of highways, one (1) arbitrator appointed by the aggrieved party or parties, with the third arbitrator being appointed by the commissioner of the department of vehicle regulation, from a list of persons agreed to jointly by the commissioner of the department of highways and the parties to the cooperative agreement. In the event the two (2) parties to the dispute cannot agree upon a joint list, the third arbitrator shall be chosen by the commissioner of the department of vehicle regulation. The administrative costs incurred by the transportation cabinet in the arbitration procedures as provided herein shall be paid out of those revenues deposited pursuant to Section 21 of this Act.

(3) In any dispute arising under a cooperative road agreement concerning the weight bearing capacity of a bridge, the aggrieved party or parties shall submit to the state highway engineer a certified opinion rendered by a qualified registered engineer duly licensed in the Commonwealth, setting forth his independent analysis of the weight bearing capacity of the bridge. Relying in fact upon said certified independent analysis, the state highway engineer may adjust the determination of weight bearing capacity of a bridge.

(4) Notwithstanding KRS Chapter 143 the total tax contributions from any person entering into a cooperative agreement, as specified in this section of this Act, shall not exceed, in the aggregate, the sum of five thousand dollars ($5,000) per mile per year on those roads covered by the cooperative agreement, but such contribution shall not exceed ten cents (10) per ton of coal hauled on cooperative roads per year from an individual coal operator unless otherwise agreed. The transportation cabinet may allow any person, under the cooperative agreement, to provide for the design, approved maintenance, construction or reconstruction provided for in subsection (1) of this section in accordance with guidelines or standards prescribed by the cabinet. In the event any person exceeds his annual total tax contribution as authorized under a cooperative agreement, such person may petition the commissioner of vehicle regulation for a carry over for future years liability.

(5) Notwithstanding any provision of this Act, the Commonwealth shall not be relieved of expending its normal routine maintenance on all roads covered by the cooperative agreements.

SECTION 25. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOWS:

(1) The transportation cabinet shall create a coal recovery road fund within the road fund. The coal recovery road fund shall receive from any operator or processor who is not covered by a cooperative agreement as provided in Section 24 of this Act, and exceeds the gross weight, gross axle weight or tire weights ten cents (10) per ton tax for coal hauled over state maintained system in addition to any taxes paid by a coal operator or processor under KRS Chapter 143. The coal road hauling tax shall be paid at the same time as the tax levied under KRS 143.020 and remitted to the transportation cabinet in accordance with those regulations promulgated by the secretary of transportation.

(2) Any operator or processor whose public road transportation plan provides sufficient evidence to the secretary of transportation that the one way hauling distance of coal is limited to twenty-five (25) miles over the state maintained system shall be assessed a tax of five cents (5) per ton instead of the tax due under the provisions of subsection (1) of this section.

(3) The coal recovery road fund may receive any additional funds obtained through state appropriations, gifts, grants and federal funds.

(4) A tandem or triaxle shall be limited to transporting coal to a radius of fifty (50) air miles from the point at which the coal is mined.

(5) Any motor carrier transporting coal over roads in coal producing and coal impact counties under this section shall be subject to the registration fees and weight limitations as provided in Section 22(1) of this Act.

(6) Total tax contributions from any persons under this section shall not exceed five thousand ($5,000) per mile per year provided that such person shall have applied for a cooperative agreement.

SECTION 26. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOWS:

Nothing in this Act shall be construed as prohibiting a county fiscal court from entering into a cooperative agreement. Section 27. The provisions of Section 18 shall become effective December 31, 1984.

Section 28. The following KRS sections are repealed:

138.225 Imposition of additional tax -- Implementation and collection.

KRS 138.661 Funding for implementation and administration of tax -- Trust and agency fund account -- Audit within three years -- Regulations.

KRS 174.105. Motor carrier regulatory board -- Membership -- Hearings on violations.

KRS 177.971. Definitions.

KRS 177.973. Resource recovery road fund -- Use of fund -- Exemptions.

KRS 177.974. Expenditure after consultation with local legislators and fiscal court members -- Division of funds -- Matching funds.

KRS 177.975. Allocation of funds for reconstruction, maintenance and repair of resource recovery roads and bridges.

KRS 189.276. Issuance of resource recovery road hauling permit -- Terms and conditions -- Fee.

KRS 189.277. Forms for use of permit -- Review by department of revenue.

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bills and Resolutions have been posted for Committee consideration:

State Government: **HB 133, HB 68, SB 343.**

Appropriations and Revenue: **HB 607, HB 576, HB 577, HB 342.**

Motions, Petitions, and Communications (continued)

Representative Long moved that the vote by which **HB 939** was defeated be reconsidered. Agreed.

Representative Kenton moved that she be recorded as voting "yea" on **SB 148.** Agreed.

Representative Hancock moved the adoption of Legislative Citation No. 109. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Earl "Buddy" Howard, Jr., for your unlimited hours of service rendered by untiring efforts to expertly perform the duties of the Franklin County Conservation Officer. Your job to protect the fish and wildlife resources and to make sure the sport is not abused, to serve in public relations, and to help people understand the departments efforts has been most satisfactorily achieved. Your exemplary record demonstrates great personal sacrifices and constant efforts to maintain and improve the County's Conservation. You have earned the respect not only of your peers but of the sportsmen and landowners with whom you come in daily contact. Exceptional leadership has earned you such recognition as the Jaycee's Outstanding Man of the Year 1982-83, the Frankfort Sportsmen Club's Outstanding Member of the Year 1983, and nomination for the 1984 Shikar Safari Award - Fish and Wildlife's highest award for outstanding work as a conservation officer.

This honorable body salutes you for your dedication and contributions to the preservation of fish and wildlife in Franklin County. We applaud you for the great distinction that you have brought to your community and the Commonwealth of Kentucky. (Sponsored by Representative Hancock)

Representative Farrow moved the adoption of Legislative Citation No. 113. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Scott County Lady "Cardinals" basketball Team, their coach, Bruce Bottoms, and assistant coach, Charles "Hoot" Gibson, championship winners of the thirty-second District Girls' Basketball Tournament. Your excellent record of 27-3 reflects hard work, school loyalty, competitive spirit and positive team effort. Winning the Boone County Invitational and the Harrison County Invitational Tournaments, as well as being ranked 7th in the top 10 in the State of Kentucky is exemplary of your outstanding level of performance. Quite impressive was your winning streak of eighteen consecutive games.

This prestigious body applauds you for your fine accomplishments and the honor and pride you have bestowed on your school, community and the Commonwealth of Kentucky. (Sponsored by Representative Farrow)

Representative Williams moved the adoption of Legislative Citations Nos. 110 and 111. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Lealer Barney, for your unlimited hours of service rendered by untiring efforts to serve your friends and neighbors in the Park Duvalle area of Louisville, Kentucky. Your exemplary record demonstrates great personal sacrifices and constant efforts to serve your community. Your humanitarian and benevolent spirit is admirably reflected in your public service demonstrated through your involvement in charitable endeavors and civic duties as a grass roots activist for tenant rights, welfare rights, school desegregation and other human interest. Especially noteworthy is the fact that you have served on numerous boards including the City Care, the Food Stamp Action Committee, the Legal Aid Council, the advisory board for aldermen and the Area Board Chairperson for Park DuValle neighborhood. The Little Flock Baptist Church has benefited greatly from your active membership where you served as Chairperson of the City Deacons Wives, an Outreach worker, Sunday School teacher and member of the Usher Board.

This honorable body salutes you for your dedication and contribution to the welfare of others and applauds you for the great distinction that you have brought to your community and the Commonwealth of Kentucky. (Sponsored by Representative Williams)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Eleanor Hutchinson, for your excellent contribution and notable years of service as the Executive Director of Clothe-a-Child and Food for the Elderly Consortium. Your humanitarian and benevolent spirit is admirably reflected by your public service demonstrated through your involvement as a member of the Board of Park DuValle Neighborhood Health Center, President of the Louisville Chapter of the Drifters Incorporated, and your active participation when you testified before a Senate Committee, at the request of Senator Kennedy, concerning the cost of medical insurance for low income families. Being named Woman of the Year by the Kentucky Southern Christian Leadership Conference in 1979 and Citizen of the Day by WLOU Radio Station is especially noteworthy. You have shared generously of your knowledge, time, resources and experiences for which we are sincerely grateful.

This honorable body salutes you for your dedication and contribution to the welfare of others and applauds you for the great distinction that you have brought to your community and the Commonwealth of Kentucky. (Sponsored by Representative Williams)

Representative F. Smith moved the adoption of Legislative Citation No. 112. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby commends the Department of Physical Education and Recreation at Western Kentucky University, Bowling Green, Kentucky, for your outstanding contributions to special populations in Adaptive Physical Education and Therapeutic Recreation. Notable achievements that have derived from the Adaptive Physical Education program are the national seminar held at Western Kentucky University and the special adaptive programs for the handicapped. Therapeutic Recreation is distinguished by its special olympics and programs for the aging. These two areas have generated both research and publications on the topics. Your assistance to State and Local Governments through consulting and development of environmental education facilities and public education programs is most admirable and has been extremely beneficial to our communities.

We salute you for the great distinction that you have brought to your school, community and the Commonwealth of Kentucky. (Sponsored by Representative F. Smith)

Representative Todd moved the adoption of Legislative Citation No. 114. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Pulaski County "Maroons" Boys' Basketball Team, Somerset, Kentucky, coach Dave Fraley, and assistant coaches Wayne Cox and Edd Cook, for your outstanding achievements in winning the 48th District and 12th Region Championships. Your accomplishments for a successful 1984 season were reflected in your excellent record of 25-8 which is most noteworthy. This prestigious body salutes you and extends best wishes as you have been entitled to advance to the Boys' "Sweet Sixteen" State Tournment, at Rupp Arena, Lexington, Kentucky, March 14-17, 1984. (Sponsored by Representative Todd)

Representative Nett moved that **HB 578** be withdrawn. Agreed.

Representative Nett moved that he be recorded as voting "nay" on **SB 148**. Agreed.

Representative Moore moved that he be recorded as voting "yea" on **HB 633**. Agreed.

The following Floor Amendments were filed to Bills:

Floor Title Amendment to **SB 210**, by Representative Deskins:

Amend printed copy of **SB 210**, page 1, delete the title in its entirety and insert in lieu thereof the following: "AN ACT changing the classification of cities."

Floor Amendment No. 1 to **SB 210**, by Representative Deskins:

Amend printed copy of **SB 210**, on page 1, delete the language after "WHEREAS" in its entirety and insert in lieu thereof the following:

"satisfactory information has been presented to the General Assembly that the populations of the cities in the following sections justify their reclassification as set forth therein."

And on page 1, line 4, add the following new section:

"Section 2. The City of Pikeville, in Pike County, is transferred from the fourth to the third class of cities."

Floor Amendment No. 2 to **HB 60**, by Representative Meyer:

Amend printed copy of House Committee Substitute for **HB 60**, on page 1, before line 1, by inserting the following:

Section 1. KRS 6.031 is amended to read as follows:

The Commonwealth of Kentucky is divided into representative districts as follows:

(1) First District: Ballard, Carlisle, Fulton, and Hickman Counties and that part of McCracken County contained in the election precincts of Ragland, Grahamville, Woodville, Lamont and Maxon and in that part of the election precinct of Messac-Milan lying north-northwest of U.S. Highway 62.

(2) Second District: Graves County.

(3) Third District: That part of McCracken County not contained in the First and Fourth Districts.

(4) Fourth District: Livingston County; that part of Crittenden County not contained in the Twelfth District and that part of McCracken County contained in the election precincts of Reidland No. 1, Reidland No. 2, Clark River, Hovekamp, Oaks Station, Hendron No. 2, Florence Station, Harper, New Hope-Melber, Rolling Hills, Lone Oak No. 1 and Lone Oak No. 2, and that part of the election precinct of Messac-Milan lying south-southwest of U.S. Highway 62.

(5) Fifth District: Calloway County and that part of Trigg County contained in the Land Between the Lakes and in the voting precincts of Bethesda, Canton, West Cadiz, North Cadiz 1, North Cadiz 2, South Cadiz 1 and South Cadiz 2.

(6) Sixth District: Lyon and Marshall Counties and that part of Caldwell County contained in election precincts Princeton #1, Princeton #4, Princeton #5 and Harmony.

(7) Seventh District: Union County; that part of Henderson County not contained in the Eleventh District; that part of Daviess County contained in the voting precincts of Pleasant Ridge, Utica, Snyder, West Louisville, Curdsville, St. Joseph, Rome, Sorgho, Masonville, Stanley, Northtown, Southtown, Fields, and Habit but excluding those parts of Northtown, Southtown and Fields precincts that are completely surrounded by one or more election precincts of the city of Owensboro.

(8) Eighth District: That part of Trigg County contained in Fort Campbell Military Reservation and in the voting precincts of Wallonia, Cerulean, Maggie and Caledonia-Roaring Spring; that part of Christian County not contained within the Ninth District.

(9) Ninth District: That part of Christian County contained in Fort Campbell Military Reservation and within the following voting precincts: Beverly, North Pembroke, Elmo, South Pembroke, Oak Grove, Lafayette, Sinking Fork, Consolation, West Crofton, East Crofton, Pilot Rock, Fearsville and Apex; that part of Hopkins County contained within the following voting precincts: East Dawson, Charleston and Ilsley.

(10) Tenth District: That part of Hopkins County not contained in the Ninth and Twelfth Districts.

(11) Eleventh District: Henderson County, except for the voting precincts of South Corydon, Niagara, Hebbardsville-Bluff City and South Robards.

(12) Twelfth District: Webster County; that part of Crittenden County contained in election precincts Rosebud, Shady Grove, Marion #5 and Marion #6; that part of Hopkins County contained in election precincts Ashbyburg, Hanson, East Hanson, Manitou and Nebo; that part of Caldwell County not contained in the Sixth District; and that part of McLean County not contained in the Fifteenth District.

(13) Thirteenth District: That part of Daviess County contained in the following election precincts: Owensboro #1, #2, #5, #8, #12, #13, #16, #21, #22, #23, #25, #26, #27, #28, #29, #30, #31, #33, #34, #35, #36, #37, #38, #39, #40, #41, #42, #43, #44 and #45 and those parts of the election precincts of Northtown, Southtown or Fields that are completely surrounded by one or more of the Owensboro precincts contained within the Thirteenth District.

(14) Fourteenth District: That part of Daviess County not contained in the Seventh District or in the Thirteenth District.

(15) Fifteenth District: Muhlenberg County and that part of McLean County contained in voting precincts: Sacramento, Livermore #3, Livermore #8 and Island.

(16) Sixteenth District: Todd and Logan Counties.

(17) Seventeenth District: Ohio and Butler Counties and that part of Hancock County contained in election precincts Boiling Chappell, Pellville, Chambers and Utility.

(18) Eighteenth District: Breckinridge County; that part of Hancock County not contained in the Seventeenth District; and that part of Meade County contained in election precincts Concordia, Flaherty, Guston, Payneville, Battletown and Wolfe Creek and in that part of Ekron election precinct lying west of a line formed by State Highway 144 and Rock Haven Road, and in that part of Woodland election precinct southeast of a line following Osborne Road northeastward to Hobbs-Reesor Road to State Highway 1238 and northeast on State Highway 1238 to the Woodland election precinct line.

(19) Nineteenth District: Edmonson and Grayson Counties; that part of Hardin County contained in voting precincts Upton, White Mills, Eastview and Meeting Creek.

(20) Twentieth District: That part of Warren County containing voting precincts Courthouse, Potter Gray, Nellums, Whayne Supply, Briarwood-Richland, Laurel and Broadway, Ogden College, Municipal Park, Shive-Kiel, 11th Street School, D and F Market, Greenwood, Carver-Harris, T. C. Cherry, Millers, 17th and Normal, Cabell Fire Station, Crestmoor, Millers #2, Carver Harris II, 11th Street Fire Station, Church Street, Watts Mill #2, Watts Mill and Mt. Victor.

(21) Twenty-first District: That part of Simpson County contained in the voting precincts of West Simpson, North Simpson and Prospect Hill and that part of Warren County not contained in the Twentieth District.

(22) Twenty-second District: Allen and Monroe Counties, and that part of Simpson County not contained in the Twenty-first District.

(23) Twenty-third District: Barren County and that part of Metcalfe County containing voting precincts Randolph-Wisdom No. 3, Knob Lick No. 4, Savoyard No. 5, Summer Shade No. 8 and Willow Shade-Beaumont No. 9.

(24) Twenty-fourth District: Hart County; Marion County; that part of Larue County contained in

the election precincts of Buffalo, Buffalo East, Attilla, Otter and Mt. Sherman.

(25) Twenty-fifth District: That part of Hardin County not contained in the Nineteenth, Twenty-sixth and Twenty-seventh Districts.

(26) Twenty-sixth District: That part of Hardin County contained in the voting precincts of Radcliff Northwest, Radcliff Southwest, Radcliff Southeast, Radcliff East, Radcliff North, Radcliff South, Radcliff West, Vine Grove East, Vine Grove West, Longview, Colesburg, that part of Yates precinct north of State Highway 144, and that part of the Fort Knox Military Reservation not included in the Twenty-seventh District; that part of Larue County not contained in the Twenty-fourth District.

(27) Twenty-seventh District: That part of Meade County not contained in the Eighteenth District; that part of Bullitt County contained in election precincts Cupio 13, Brooks 12 and Brooks 12A; that part of Hardin County contained in West Point election precinct and in that part of the Fort Knox Military Reservation whose southern boundary is Chaffee Avenue extended westward to the Hardin-Meade County line and eastward to Park Road; thence southward to Eleventh Avenue; thence eastward on Eleventh Avenue and a line extending due eastward to the Bullitt County-Hardin County line.

(28) Twenty-eighth District: That part of Jefferson County containing voting precincts C7, C8, C14, C31, C32, C33, C40, C43, C44, C45, C47, C53, C56, C57, C58, C64, C65, C66, C72, C73, C78, C79, C82, C90, C91, C98, C99, C101, C103, C107, C108, C109 of Commissioner's District C.

(29) Twenty-ninth District: That part of Jefferson County containing voting precincts C5, C6, C11, C16, C19, C21, C24, C30, C34, C39, C46, C50, C54, C55, C59, C61, C67, C69, C71, C74, C75, C80, C81, C85, C94, C97, C100, C112 of Commissioner's District C.

(30) Thirtieth District: That part of Jefferson County containing voting precinct 37 of the Third Ward of the city of Louisville, and voting precincts B10, B13, B18, B19, B21, B22, B24, B25, B31, B40, B42, B43, B48, B49, B54, B58, B64, B67, B70, B71, B72, B78, B84, B85, B87, B89 of Commissioner's District B.

(31) Thirty-first District: That part of Jefferson County containing voting precincts 16, 17, 19, 26, 29, 34, 35, 36, 38 and 39 of the Second Ward of the city of Louisville; and voting precincts A22, A35, A39, A63, A80, A81, A85, A86, A89, A91, A98, A99, A100, A102, A105, A114, A117, A118, A119, A123, A125, A127, A128, A135, A138, A139, A146 and A151 of Commissioner's District A.

(32) Thirty-second District: That part of Jefferson County containing voting precincts 4, 5, 6, 7, 8, 9, 10, 23A, 23B, 23, 24, 25, 27, 28, 29, 30 and 33 of the First Ward of the city of Louisville; voting precincts 1, 2, 3, 4, 5, 6, 7A, 7, 8, 10, 13, 15, 18, 20, 27, 32, 40 and 41 of the Second Ward of the city of Louisville; voting precincts 1 and 2 of the Third Ward of the city of Louisville; and voting precincts A4, A5, A6, A17, A18, A19, A24, A26, A27, A31, A32, A34, A46, A51, A64, A68, A71, A82, A83 and A94 of Commissioner's District A.

(33) Thirty-Third District: That part of Jefferson County containing voting precincts 23, 30 and 31 of the Second Ward of the city of Louisville; voting precincts A10, A11, A15, A16, A36, A53, A57, A70, A75, A76, A84, A87, A90, A92, A93, A95, A97, A101, A104, A112, A115, A120, A130, A132, A134, A137, A141 and A152 of Commissioner's District A.

(34) Thirty-fourth District: That part of Jefferson County containing voting precincts 12, 16, 19A and 19 of the First Ward of Louisville; voting precincts 9, 11, 12, 14, 21, 24, 28, and 33 of the Second Ward of the city of Louisville; voting precincts 3, 4, 7, 8, 9, 10, 11, 12, 13, 14, 15, 18, 19, 20, 21, 22, 23, 25, 26, 27, 28, 30, 31, 32, 33, 34, 35 and 36 of the Third Ward of the city of Louisville; and voting precincts 7 and 11 of the Fifth Ward of the city of Louisville; voting precincts A96 and A103 of Commissioner's District A; and voting precinct B16 of Commissioner's District B.

(35) Thirty-fifth District: That part of Jefferson County containing voting precincts 16, 17 and 29 of the Third Ward of the city of Louisville; 1, 5A, 5, 7, 8A, 8, 9A, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 22, 25, 26, 27, 28, 29, 30, 32 and 33 of the Fourth Ward of the city of Louisville; voting precincts 22, 26, 27, 28, 29 and 30 of the Fifth Ward of the city of Louisville; and voting precincts 10 and 13 of the Eighth Ward of the city of Louisville; and voting precincts B4, B8, B11, B12, B15 and B32 of Commissioner's District B.

(36) Thirty-sixth District: Garrard County; that part of Jessamine County contained in election precincts of East Nicholasville #1, East Nicholasville #2, West Nicholasville #2, Southeast Nicholasville #1

and #2, Southwest Nicholasville #1, #2 and #3, Sulphur Well, Little Hickman, and Bethel; and that part of Madison County contained in the Lexington-Blue Grass Army Depot and in the election precincts of Blue Lick, East Berea, Gay-Stephens, North Berea, South Berea, West Berea, Big Hill, Bobtown-Redlick, Clay, Brassfield-Bearwallow and Poosey.

(37) Thirty-seventh District: That part of Jefferson County containing voting precincts 2, 21, 23 and 34 of the Fourth Ward of the city of Louisville; voting precincts 4, 6, 7, 8, 9, 10, 11, 14, 17, 18, 19, 20, 21, 22, 23, 25, 29 and 33 of the Sixth Ward of the city of Louisville; voting precincts 6, 8, and 9 of the Seventh Ward of the city of Louisville; voting precincts 11, 12, 14A, 14, 16A and 16 of the Eighth Ward of the city of Louisville; voting precincts B5 (not including that part of B5 located within the city limits of Louisville), B29, B75, B79, B82 and B92 of Commissioner's District B; and voting precincts C22 and C70 of Commissioner's District C.

(38) Thirty-eighth District: That part of Jefferson County containing voting precincts 12, 13, 15, 16, 24, 26A, 26, 27, 28, 30, 31 and 32 of the Sixth Ward of the city of Louisville; voting precincts 3A, 3, 5, 7, 10, 13, 15, 16, 18, 19, 20, 21, 22, 23, 24, 25 and 26 of the Seventh Ward of the city of Louisville; that part of voting precinct B5 of Commissioner's District B not contained within the Thirty-seventh District; and voting precincts C12, C18, C60, C87, C89 and C96 of Commissioner's District C.

(39) Thirty-ninth District: That part of Harlan County contained in the election precincts of Old Baxter, New Baxter, Pine Mountain, Bledsoe, Loyall-Old, Loyall-School and Rio Vista; that part of Perry County not contained in the Ninety-first District; that part of Owsley County not contained in the Ninetieth District.

(40) Fortieth District: That part of Jefferson County containing voting precincts 24 and 25 of the Fifth Ward of the city of Louisville; voting precinct 5 of the Sixth Ward of the city of Louisville; voting precincts 1, 2, 4, 11, 12, 14 and 17 of the Seventh Ward of the city of Louisville; voting precincts 7, 8A, 8, 9, 15A, 15, 17, 18A, 18, 19, 20 and 21, of the Eighth Ward of the city of Louisville; voting precincts 10, 11, 13, 14A, 14, 15, 16, 17 and 18 of the Ninth Ward of the city of Louisville; voting precincts 25A and 25 of the Tenth Ward of the city of Louisville; and voting precincts C9, C25, C27, C35, C51, C63 and C68 of Commissioner's District C.

(41) Forty-first District: That part of Jefferson County containing voting precincts 1, 2, 3, 11, 13, 14, 15, 17, 21, 31, 32 and 34 of the First Ward of the city of Louisville; voting precincts 2, 3, 4, 5, 6, 8, 10, 13, 15, 18, 19 and 31 of the Fifth Ward of the city of Louisville; and voting precincts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 18, 20, 29 and 30 of the Tenth Ward of the city of Louisville.

(42) Forty-second District: That part of Jefferson County containing voting precincts 12, 16, 17, 20, 21, and 23 of the Fifth Ward of the city of Louisville; voting precincts 1, 2, 3, 4, 5, 6 and 22 of the Eighth Ward of the city of Louisville; voting precincts 1, 2, 4, 7A, 7, 8, 9, 19, 20 and 21 of the Ninth Ward of the city of Louisville; voting precincts 16A, 16, 17, 19, 21A, 21, 22, 23, 24, 26, 27, 28A and 28 of the Tenth Ward of the city of Louisville; voting precincts 14, 15, 16, 17, 18A, 18, 19, 20, 21A, and 21 of the Eleventh Ward of the city of Louisville; and voting precincts 24 and 25 of the Twelfth Ward of the city of Louisville.

(43) Forty-third District: That part of Jefferson County containing voting precincts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 22 of the Eleventh Ward of the city of Louisville; and voting precincts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11A, 11, 12, 13, 14, 15, 16A, 16, 17, 18, 19, 20, 21, 22 and 23 of the Twelfth Ward of the city of Louisville.

(44) Forty-fourth District: That part of Jefferson County containing voting precincts 3, 5, 6 and 22 of the Ninth Ward of the city of Louisville; and voting precincts C1, C2, C3, C4, C10, C13, C15, C17, C20, C26, C28, C29, C36, C37, C38, C41, C42, C48, C49, C52, C62, C76, C77, C83, C84, C86, C88, C92, C93, C95, C104, C105, C106, C110 and C111 of Commissioner's District C.

(45) Forty-fifth District: That part of Jefferson County containing voting precincts B1, B2, B3, B6, B7, B9, B17, B23, B27, B28, B30, B39, B45, B55, B56, B59, B63, B66, B73, B74, B76, B81, B83, B90, B91 and B94 of Commissioner's District B; and voting precincts C23 and C102 of Commissioner's District C.

(46) Forty-sixth District: That part of Jefferson County containing voting precinct A88 of Commissioner's District A; and voting precincts B14, B20, B26, B33, B34, B35, B36, B37, B38, B41, B44, B46, B47, B50, B51, B52, B53, B57, B60, B61, B62, B65, B68, B69, B77, B80, B86, B88 and B93 of Commissioner's District B.

(47) Forty-seventh District: That part of Jefferson County containing voting precincts A8, A12, A13, A14, A20, A21, A23, A25, A28, A33, A37, A38, A41, A42, A43, A44, A45, A50, A58, A65, A69, A72, A74, A77, A106, A107, A108, A109, A110, A124, A126, A129, A133, A136, A147, A149 and A153 of Commissioner's District A.

(48) Forty-eighth District: That part of Jefferson County containing voting precincts 20 and 22 of the First Ward of the city of Louisville; and voting precincts A1, A2, A3, A7, A9, A29, A30, A40, A47, A48, A49, A52, A54, A55, A56, A59, A60, A61, A62, A66, A67, A73, A78, A79, A111, A113, A116, A121, A122, A131, A140, A142, A143, A144, A145, A148 and A150 of Commissioner's District A.

(49) Forty-ninth District: That part of Bullitt County not contained in the Twenty-seventh District.

(50) Fiftieth District: Nelson and Washington Counties.

(51) Fifty-first District: Green and Taylor Counties, and that part of Metcalfe County not contained in the Twenty-third District.

(52) Fifty-second District: Adair and Casey Counties and that part of Russell County contained in the election precincts of Webbs, Irvins, Esto, Royville, City Hall, Fairgrounds, Eli and Rowes.

(53) Fifty-third District: Wayne, Clinton and Cumberland Counties; that part of Russell County not contained within the Fifty-second and Eighty-third Districts.

(54) Fifty-fourth District: Boyle County; that part of Lincoln County contained in the Census County Divisions of Hustonville and Stanford and in Census Enumeration Districts 564 and 565.

(55) Fifty-fifth District: Mercer, Spencer and Anderson Counties.

(56) Fifty-sixth District: Woodford County; that part of Franklin County contained in election precincts Forks of Elkhorn, Switzer, Peaks Mill, Owenton Road and Swallowfield; that part of Jessamine County not contained in the Thirty-sixth District.

(57) Fifty-seventh District: That part of Franklin County not contained in the Fifty-sixth District.

(58) Fifty-eighth District: Henry and Shelby Counties.

(59) Fifty-ninth District: Oldham and Trimble Counties.

(60) Sixtieth District: That part of Boone County not contained in the Sixty-sixth District.

(61) Sixty-first District: Carroll, Gallatin, Grant and Owen Counties.

(62) Sixty-second District: Harrison and Scott Counties.

(63) Sixty-third District: That part of Kenton County containing the following voting precincts: Crescent Springs 1 and 2; Crestview Hills; Edgewood 1, 2, 3, 4, 5 and 6; Fort Mitchell 1, 2, 3, 4, 5 and 6; Fort Wright 1, 2, 3, 4 and 5; Lakeside Park 1, 2 and 3; Park Hills 1, 2 and 3; Richardson*; and that part of Sandfordtown Precinct west of the L & N Railroad track and west of Madison Pike.*

(64) Sixty-fourth District: That part of Kenton County containing the following voting precincts: Bracht, Cherokee, Covington 26, 27, 29, 30 and 43, Decoursey, Independence 1, 2 and 3, Morningview, Nicholson, Oakridge, Piner, *that part of* Sandfordtown *not contained in the Sixty-third District*, Taylor Mill 1 and 2, Visalia, Whites Tower, and Winston Park; and that part of Pendleton County contained in voting precinct Grassy Creek.

(65) Sixty-fifth District: That part of Kenton County containing the following voting precincts: Covington 7, 10, 11, 12, 13, 14, 15, 17, 18, 19, 20, 21, 23, 24, 25, 31, 33, 34, and 42; and that part of Kenton County contained within the city of Ludlow and the *city* of Bromley.

(66) Sixty-sixth District: That part of Boone County containing the following voting precincts: Devon 1, 1A and 2; Florence 1; that part of Florence 3 bounded as follows: beginning at the Boone County

line and Old Dixie Highway, then west with Old Dixie Highway to State Highway 1017, then north on State Highway 1017 to Sebree Drive, then west on Sebree Drive to Jortha Avenue, then north on Jortha Avenue to Lloyd, then east on Lloyd and Drexel Avenue to Oakwood Drive, then northeast on Oakwood Drive and High Ridge Avenue to Florence city limits, then east with city limits of Florence to Boone County line, then to point of beginning; Florence 6; that part of Kenton County containing the following voting precincts: *that part of Bromley precinct not contained in Ludlow city and in Bromley city,* Elsmere 1, 2, 3 and 4, Erlanger 1, 2, 3, 4, 5, 6, 7, 8 and 9, Villa Hills 1 and 2.

(67) Sixty-seventh District: That part of Campbell County containing all of the voting precincts in the city of Newport; that part of Campbell County containing the following voting precincts: Southgate A, B and C, Wilder and Woodlawn; that part of Kenton County containing the following voting precincts: Covington 1, 3, 6, 35, 36, 39, 40, and 41.

(68) Sixty-eighth District: That part of Campbell County containing the following voting precincts Bellevue A, B, C, D, E, F, G, H and I; Dayton A, B, C, D, E, F, and G; Fort Thomas A, B, C, D, E, G, L and P, Brent, Crestview, Silver Grove, Hayfield, Carthage, Camp Springs, California, Mentor and Gubser's Mill and Melbourne; Pendleton County precincts Bonar, Sandsuck, and Falmouth 3; and Bracken County precincts Foster, Johnsville, Augusta West and Augusta East.

(69) Sixty-ninth District: That part of Campbell County not contained in the Sixty-seventh and Sixty-eighth Districts; that part of Pendleton County not contained in the Sixty-fourth District and in the Sixty-eighth District.

(70) Seventieth District: Mason, Fleming and Robertson Counties; that part of Bracken County not contained in the Sixty-eighth District.

(71) Seventy-first District: Morgan and Rowan Counties; that part of Lawrence County contained in election precincts Martha, Blaine, Brushey and Meades Branch; and that part of Lewis County contained in the election precincts of Concord, Mowers, Tollesboro, and Burtonsville and in that part of the election precinct of Peterville southwest of a line commencing at the intersection of State Highway 377 at the Rowan-Lewis County line; thence following the centerline of Highway 377 to the Handy Fork Road, thence with the centerline of Handy Fork Road to its termination; thence with a straight line from the end of the Handy Fork Road to the Sargeant Branch Road; thence with the centerline of the Sargeant Branch Road to the intersection of State Highway 509; thence with the centerline of State Highway 509 northeast to Petersville and the intersection of Highway 344; thence northwest with the centerline of Highway 344 to the Burtonville Precinct boundary.

(72) Seventy-second District: Bourbon County and that part of Fayette County not contained in the Seventy-fifth District, the Seventy-sixth, Seventy-seventh, Seventy-eighth and Seventy-ninth Districts.

(73) Seventy-third District: Clark and that part of Powell County west of a line extending from the Montgomery County line south with the centerline of State Highway 213 to State Highway 11 and 15, then westward with the center of State Highway 11 and 15 to the western city limits of Stanton, then eastward around the southern city limits of Stanton to the Mountain Parkway, then eastward with the Mountain Parkway to State Highway 11 and 15, then southward with State Highway 11 and 15 to Cat Creek-High Rock Road, then south with said road and an unnamed branch of Cat Creek to Knowlton Ridge Road, then southward with Knowlton Ridge Road to State Highway 213, then southward with State Highway 213 to the Estill County line.

(74) Seventy-fourth District: Bath, Nicholas and Montgomery Counties.

(75) Seventy-fifth District: That part of Fayette County contained within the following election precincts: Davidson Court, Fayette Park, Hampton Court, Preston Inn, West Main, Church, Deerfield, Fair Grounds, Goodrich, Merino, Open Gates, Picadome, Rodes Addition, Rosemont, Towers, Alabama, Ashland Avenue, Aylesford, Bell Place, Bunker, Campsie, Clifton, College View, Hollywood, Lawrence, Mt. Vernon, and Woodland.

(76) Seventy-sixth District: That part of Fayette County contained within the following election precincts: Blue Acres, Marlboro, Radcliffe, Aspendale, Bluegrass, Breckenridge, Bryan Station, Castlewood, Crawford, Deep Springs, Dixie, Eastland, Emerson, Helm, Henry Clay, Hermitage, Idle Hour, Kenwick, Liberty Heights, Loudon, Northern, Ohio, Rookwood, Victory, Walnut Street, Walton, Warfield Place, Augusta, Greenleaf and Delaware.

(77) Seventy-seventh District: That part of Fayette County contained within the following election precincts: Alexandria, Barker, Cardinal Valley, Douglas, Evans, Fairlawn, Garden Springs, Gibson Park, Holiday Hills, Imperial, Julius Marks, Keys, Lane Allen, Larkspur, Meadowthorpe, Oxford, Pine Meadows, St. Martins, Skycrest, Terrace View, Turfland, Versailles Pike, Viley Heights, Washington, Wolf Run, Barkley, Lafayette, Clays Mill, Hill-n-Dale, Indian Hills, Longview, Pershing, Southview and Arlington.

(78) Seventy-eighth District: That part of Fayette County contained within the following election precincts: Beaumont, Meridian, The Colony, Airport, Blueberry Hills, Brigadoon, Brookhaven, Camelot, Glendover, Hinda Heights, Keithshire, Lansdowne, Leawood, McDowell, Malabu, Montavesta, Monticello, Redding Road, Shadeland, Shady Lane, Stone, Stonewall, Wem, Zandale, Robinwood, South Point, Tudor, Bayswater, Kirklevington, Stoneybrook, Surfside, and Plantation.

(79) Seventy-ninth District: That part of the county of Fayette contained within the following election precincts: Fairway, Gainesway, Lakeview, Mt. Tabor, Merrick, Richmond Road, Shrine, Southeastern Hills, Tates Creek, Walnut Hill, Delong, River Park, Blairmore, Edgewater, Ascot, Park Hills, Cove Lake, Chevy Chase, Chilesburg, Duke, Ellerslie, Fontaine, Woodspoint, Alsab, and Ridgeway.

(80) Eightieth District: Rockcastle County; that part of Lincoln County not contained in the Fifty-fourth District; that part of McCreary County not contained in the Eighty-second district; and that part of Pulaski County contained within the following voting precincts: Eubank 25, Estesburg 26, Hazeldell 29, Good Hope 28, Dallas, Mayfield, Mt. Victory, Sloans Valley, Gamblin, Buncombe, and Catron 31.

(81) Eighty-first District: That part of Madison County not contained in the Thirty-sixth District.

(82) Eighty-second District: That part of Whitley County not contained in the Eighty-seventh District; that part of McCreary County contained within Census Enumeration Districts 182, 183, 185 and 186.

(83) Eighty-third District: That part of Pulaski County not contained in the Eightieth District; and that part of Russell County contained in the election precinct of Jabez.

(84) Eighty-fourth District: Estill, Lee and Menifee Counties; that part of Powell County not contained in the Seventy-third District; and that part of Jackson County not contained in the Ninetieth District.

(85) Eighty-fifth District: Laurel County.

(86) Eighty-sixth District: Knox County; that part of Clay County contained in voting precincts Harts Branch, Horse Creek, Manchester, Garrard and Whites Branch.

(87) Eighty-seventh District: Bell County and that part of Whitley County southeast of a line beginning at the Tennessee State line, following the Pine Mountain Divide northeastward, then westward with the Vanderpool Mountain Divide to the Rose Creek-Seng Branch Divide, then northward with said divide to the Gatliff Lookout Road, then with said road to State Highway 904, then eastward with State Highway 904 to State Highway 1809, then northward with State Highway 1809 to the Knox County line.

(88) Eighty-eighth District: That part of Harlan County not contained in the Thirty-ninth District.

(89) Eighty-ninth District: Breathitt, Wolfe and Magoffin Counties.

(90) Ninetieth District: Leslie County; that part of Jackson County contained in Census Enumeration Districts 81, 82, 83 and 76U; that part of Clay County not contained in the Eighty-sixth District; that part of Owsley County contained in election precincts Island Creek, Sturgeon and Elk Lick.

(91) Ninety-first District: That part of Perry County contained in the election precincts of Whitaker, Little Leatherwood, Cornettsville, Fusonia, Vicco, Happy, Jeff, Farmertown and Christopher; that part of Pike County south and west of a line beginning at the Letcher County line, then northeast with the Marshall Branch-Booker Branch Divide and the Orchard Branch-Blaze Branch Divide to Gale Road, then with the Gale Road to its intersection with U.S. Highway 23, then in a straight line eastwardly to Herman Siding Station, then south-southeast with northern boundary of Dorton Census County Division to the Virginia state line and that part of Letcher County not contained in the Ninety-second District.

(92) Ninety-second District: Knott County; that part of Letcher County contained in the voting precincts of Ison, Colson, Marion, Blackey, Doty and Baker; that part of Floyd County contained in the voting precincts of Rock Fork #37, Wayland #18, Lackey #17, Bosco #15, Beechgrove #41, Jack Allen, Middle Creek #8, Maytown, Rough and Tough #12, Abbott #35, and Garrett #16.

(93) Ninety-third District: That part of Pike County not contained in the Ninety-first and Ninety-fourth Districts.

(94) Ninety-fourth District: That part of Pike County contained in the Census County Divisions of Pikeville, Mayflower, Raccoon, Sidney and South Williamson and Census Enumeration Districts 505 and 506.

(95) Ninety-fifth District: That part of Floyd County not contained in the Ninety-second District.

(96) Ninety-sixth District: Carter County; that part of Lewis County not contained in the Seventy-first District; that part of Greenup County contained in Census Enumeration District 831.

(97) Ninety-seventh District: Johnson and Martin Counties.

(98) Ninety-eighth District: That part of Greenup County not contained in the Ninety-sixth and One hundredth Districts.

(99) Ninety-ninth District: Elliott County; that part of Lawrence County not contained in the Seventy-first District; that part of Boyd County containing the following voting precincts: Court House, City Building, Argo, Hampton, England Hill, Durbin, East Fork, Cannonsburg, Princess, Garner , Hoods Creek, Fairview, Buckley #1, Buckley #2, Westwood , Fannin, Ashland Oil and Greenhill.

(100) One hundredth District: That part of Boyd County not contained in the Ninety-ninth District and that part of Greenup County contained in the city of Bellefonte.

Section 2. Whereas, the filing date for primary elections in representative districts will occur before July 14, 1984, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the governor.

And by renumbering the successive sections to conform.

Floor Amendment No. 1 to **HB 492,** by Representative Overstreet:

Amend printed copy of Committee Substitute to **HB 492,** on page 14, line 22, by adding the following:

"Section 19. KRS 530.050 is amended to read as follows:

(1) A person is guilty of nonsupport when he persistently fails to provide support which he can reasonably provide and which he knows he has a duty to provide to a minor or child adjudged mentally disabled, indigent spouse or indigent parent.

(2) A person is guilty of flagrant nonsupport when he persistently fails to provide support which he can reasonably provide and which he knows he has a duty to provide by virtue of a court *or administrative* order to a minor or child adjudged mentally disabled, indigent spouse or indigent parent thereby leaving said dependent in destitute circumstances.

(3) A person has a duty to provide support for an indigent spouse and for a minor or child adjudged mentally disabled and, for purposes of this section, is presumed to know of that duty.

(4) Any person who is eighteen (18) years of age or over, residing in this state and having in this state a parent who is destitute of means of subsistence and unable because of old age, infirmity, or illness to support himself or herself, has a duty to provide support for such parent and, for purposes of this section, is presumed to know of that duty.

(5) Nonsupport is a Class A misdemeanor.

(6) Flagrant nonsupport is a Class D felony."

Floor Amendment No. 1 to **HB 635,** by Representative Burch:

Amend printed copy of **HB 635,** on page 3, after line 19, by adding the following:

"SECTION 4. A NEW SECTION OF KRS CHAPTER 411 IS CREATED TO READ AS FOLLOWS:

(1) Any person, firm or corporation who manufactures, supplies or produces food processors shall be exempt from having any state license which would prohibit the direct sale of such food processors by the manufacturer to individual customers or users of food processors.

(2) A food processor is a manufactured device which cuts, grates, mashes or grinds food in the process of, and for the purposes of, human consumption.

(3) This section in no way shall exempt any person, firm or corporation who manufactures, supplies or produces food processors from any city or county health code or any city or county business license or tax."

Floor Amendment No. 1 to **HB 696,** by Representative Burch:

Amend printed copy of **HB 696,** on page 1, after line 15, by adding the following:

Section 2. KRS 278.190 is amended to read as follows:

(1) Whenever any utility files with the commission any schedule stating new rates, the commission may, upon its own motion, or upon complaint as provided in KRS 278.260, and upon reasonable notice, enter upon a hearing concerning the reasonableness of the new rates.

(2) Pending such hearing and the decision thereon, and after notice to the utility, the commission may, at any time before said schedule becomes effective, suspend the operation of said schedule and defer the use of such rate, charge, classification or service, but not for a longer period than *ten (10)* [~~five (5)~~] months beyond the time when it would otherwise go into effect; and after such hearing, either completed before or after the rate, charge, classification or service goes into effect, the commission may make such orders with reference thereto as it deems proper in the matter. If the proceeding has not been concluded and an order made at the expiration of such *ten (10)* [~~five (5)~~] months the utility may place the proposed change of rate, charge, classification or service in effect at the end of such period after notifying the commission, in writing, of its intention so to do. Where increased rates or charges are thus made effective, the commission may, by order, require the interested utility or utilities to maintain their records in such manner as will enable them, or the commission, or any of its customers, to determine the amounts to be refunded and to whom due in the event a refund is ordered, and upon completion of the hearing and decision may, by further order, require such utility or utilities to refund to the persons in whose behalf such amounts were paid such portion of such increased rates or charges as by its decision shall be found unreasonable. Provided, however, if the commission, at any time, during said *ten (10)* [~~five (5)~~] months' suspension period, finds that the company's credit or operations will be materially impaired or damaged by the failure to permit said rates to become effective during said *ten (10)* [~~five (5)~~] months' period, said commission may, after any hearing or hearings, permit all or a portion of said rates to become effective under such terms and conditions as the commission may, by order, prescribe.

(3) At any hearing involving the rate or charge sought to be increased, the burden of proof to show that the increased rate or charge is just and reasonable shall be upon the utility and the commission shall give to the hearing and decision of such questions preference over other questions pending before it and decide the same as speedily as possible, and in any event not later than *twelve (12)* [~~ten (10)~~] months after the filing of such schedules.

(4) In the event the commission, by order, directs any utility to make a refund, as hereinabove provided, of all or any portion of such increased rates or charges, the utility shall make the same within sixty (60) days after a final determination of the proceeding by an order of the court or commission with or without interest in the discretion of the commission. If the utility fails to make such refund within sixty (60) days after such final determination, any party entitled to such refund may, after ten (10) days' written demand, bring an action therefor in any court of competent jurisdiction of this state, and may recover, in addition to the amount of the refund due, legal interest, court costs and reasonable attorney's fees. No such action may be maintained unless instituted within one (1) year after such final determination. Any number of persons entitled to such refunds may join in as plaintiffs in a single action and the court shall render a judgment severally for each plaintiff as his interest may appear.

Floor Title Amendment to **HB 883,** by Representative Reinhardt:

Amend printed copy of **HB 883,** by changing the title to read as follows: "AN ACT relating to the classification of cities."

Floor Amendment No. 1 to **HB 883,** by Representative Reinhardt:

Amend printed copy of **HB 883,** on page 1, by inserting before the line beginning "NOW, THEREFORE," the following language:

"WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Alexandria, in Campbell County, is such as to justify its being classified as a city of the fourth class."; and

On page 1, after line 3, by inserting the following:

"Section 2. The City of Alexandria, in Campbell County, is transferred from the fifth to the fourth class of cities."

Floor Amendment No. 3 to **HB 992,** by Representative F. Smith:

Amend printed copy of **HB 992,** on page 8, after line 19, by adding the following section:

"Section 6. KRS 341.370 is amended to read as follows:

(1) A worker shall be disqualified from receiving benefits for the duration of any period of unemployment with respect to which:

(a) He has failed without good cause either to apply for available, suitable work when so directed by the employment office or the secretary or to accept suitable work when offered him, or to return to his customary self-employment when so directed by the secretary; or

(b) He has been discharged for misconduct or dishonesty connected with his most recent work, or from any work which occurred after the first day of the worker's base period and which last preceded his most recent work, but legitimate activity in connection with labor organizations or failure to join a company union shall not be construed as misconduct; or

(c) He has left his most recent suitable work or any other suitable work which occurred after the first day of the worker's base period and which last preceded his most recent work voluntarily without good cause attributable to the employment. *No otherwise eligible worker shall be disqualified from receiving benefits for leaving his next most recent suitable work to return to work with his usual employer or to avoid imminent layoff (of which he has been give notice by his employer) by accepting other work, or for leaving work which was concurrent with his most recent work, or for leaving part-time work which preceded his most suitable work to accept such most recent suitable work.*

(2) A worker shall be disqualified from receiving benefits for any week with respect to which he knowingly made a false statement to establish his right to or the amount of his benefits, and, within the succeeding twenty-four (24) months, for such additional weeks immediately following the date of discovery, not to exceed a total of fifty-two (52), as may be determined by the secretary.

(3) No worker shall be disqualified under paragraph (b) or (c) of subsection (1) of this section unless the employer, within a reasonable time as prescribed by regulations promulgated by the secretary, notifies the department for human resources and the worker in writing of the alleged voluntary quitting or the discharge for misconduct; provided, however, that nothing in this subsection shall restrict the right of the secretary for human resources to disqualify a worker whose employer has refused or failed to notify the department for human resources of the alleged voluntary quitting or discharge for misconduct if such alleged voluntary quitting or discharge for misconduct is known to the secretary for human resources prior to the time benefits are paid to such worker; provided, further, that the exercise of such right by the secretary for human resources, in the absence of timely notice from the employer, shall not relieve the employer's reserve account of benefit charges under the provisions of subsection (3) of KRS 341.530.

(4) As used in this section and in subsection (3) of KRS 341.530, "most recent" work shall be construed as that work which occurred after the first day of the worker's base period and which last preceded the week of unemployment with respect to which benefits are claimed; except that, if the work last preceding such week of unemployment was seasonal, intermittent or temporary in nature, most recent work may be construed as that work last preceding such seasonal, intermittent or temporary work.

(5) No worker shall be disqualified or held ineligible under the provisions of this section or KRS 341.350, who is separated from employment pursuant to a labor management contract or agreement, or pursuant to an established employer plan, program or policy, which permits the employer to close the plant or facility for purposes of vacation or maintenance.

(6) "Discharge for misconduct" as used in this section shall include but not be limited to separation initiated by an employer for falsification of an employment application to obtain employment through

subterfuge; knowing violation of a reasonable and uniformly enforced rule of an employer; unsatisfactory attendance if the worker cannot show good cause for absences or tardiness; damaging the employer's property through gross negligence; refusing to obey reasonable instructions; reporting to work under the influence of alcohol or drugs or consuming alcohol or drugs on employer's premises during working hours; conduct endangering safety of self or co-workers; and incarceration in jail following conviction of a misdemeanor or felony by a court of competent jurisdiction, which results in missing at least five (5) days work.

(7) "Duration of any period of unemployment," as that term is used in this section, shall be the period of time beginning with the worker's discharge, voluntary quitting, or failure to apply for or accept suitable work and running until such worker has worked in each of ten (10) weeks, whether or not consecutive, and has earned ten (10) times his weekly benefit rate in employment covered under the provisions of this chapter or a similar law of another state or of the United States.

Floor Amendment No. 1 to **HB 1006,** by Representative Hancock:

Amend printed copy of **HB 1006,** on page 2, after line 2, by inserting the following:

"Section 2. KRS 17.250 is amended to read as follows:

(1) There is created and established within the department of housing, buildings and construction a volunteer fire department aid fund consisting of insurance premium surcharge proceeds as provided in subsection (2) of KRS 136.392. All moneys remaining in this fund on July 1, 1982, and deposited thereafter, including earnings from their investment, shall be deemed a trust and agency account, and shall not lapse, and shall be continuously appropriated for the purposes specified herein and in KRS 61.316.

(2) Except as provided in subsection (3) of this section and KRS 61.316, the state fire marshal shall allot on an annual basis an equal share of the funds accruing to and appropriated for volunteer fire department aid to volunteer fire departments in cities of all classes, fire protection districts organized pursuant to KRS Chapter 75, county districts established under authority of KRS 67.083, and all other organized volunteer fire departments recognized by the department of housing, buildings and construction as fire departments operated and maintained on a nonprofit basis in the interest of the health, safety, prosperity and security of the inhabitants of the Commonwealth. He shall prescribe regulations and standards for determining the amounts to be granted. Such standards shall be based on the number of both paid fire fighters and volunteer firemen within a volunteer fire department, the amount of equipment, housing facilities available and such other matters or standards as will best effect the purposes of the volunteer fire department aid law. No allotment shall exceed the total value of the funds, equipment, lands and buildings made available to the local fire units from any source whatever for the year in which the allotment is made. A portion of the funds provided for above may be used to purchase group or blanket health insurance and workers' compensation insurance, and the remaining funds shall be distributed as set forth in this section.

(3) For the biennium beginning July 1, 1982 and ending June 30, 1984, two hundred thousand dollars ($200,000) of the insurance premium surcharge proceeds accruing to the volunteer fire department aid fund shall be allocated to the fire fighters training center fund, which is hereby created and established, for the purposes of constructing new or upgrading existing training centers for fire fighters. Prior to funding any project pursuant to this subsection, a proposed project shall be approved by the commission on fire protection personnel standards and education as provided in subsection (4) of this section and shall comply with state laws applicable to capital construction projects.

(4) Applications for funding of fire fighters training center funds shall be submitted to the commission on fire protection personnel standards and education for their recommendation, approval, disapproval or modification. The commission shall review applications periodically, and shall, subject to funds available, recommend which applications shall be funded and at what levels, together with any terms and conditions the commission deems necessary.

(5) Any department or entity eligible for and receiving funding pursuant to this section shall have a minimum of seventy-five percent (75%) of its personnel certified as recognized by the commission on fire protection personnel standards and education.

(6) Upon the written request of any department, the commission on fire protection personnel standards and education shall make available a certified training program in a county of which such department is located.

(7) The amount of reimbursement for any given year for costs incurred by the department for administering these funds, *including, but not limited to the expenses and costs of commission operations,* shall be determined by the commission and shall not exceed five percent (5%) of the total amount of moneys accruing to the volunteer fire department aid fund during any fiscal year."

Adjournment

Representative LeMaster moved that the House adjourn until 3:00 p.m., Monday, March 19, 1984.

On the roll call the vote was yeas 53-Allen, Arnold, Barrows, Bennett, Blevins, Burch, Caldwell, L. Clark, P. Clark, Cowan, Craddock, Crupper, Curd, Donnermeyer, Dunn, Endicott, Ford, Fryman, Gedling, Handock, Handy, Harper, Hines, Holbrook, Holloway, Johnson, Kenton, List, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Morris, Nett, Noland, O'Brien, Pearman, Perkins, Rapier, Reinhardt, B. Richardson, P. Richardson, Riner, Robinson, F. Smith, Stumbo, Thomason, Todd, Turner, Van Horn, Yates. Nays 0.

The motion to adjourn was adopted.

MONDAY, MARCH 19, 1984

FORTY-NINTH LEGISLATIVE DAY

The House was called to order by Speaker Richardson.

Prayer by Speaker Richardson.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representative Petty.

Representative Brinkley moved that the absent member be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Brinkley moved that the reading of the Journal of March 16, 1984, be dispensed with and the same approved. Agreed.

Senate Message

Announcing passage of **SB 123**, **SB 205**, **SB 295**, **SB 311**, **SB 323**, **SB 344**, **SB 371**, **SB 372**, **SB 380**, **SB 388**, **SB 391**, **SB 401**, **SJR 50**, **SCR 78**, **HB 157** with Senate Amendments, **HB 610** with Senate Amendment, **HB 72**, **HB 175**, and **HB 372**.

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bills and Resolutions:

Banking and Insurance: **SB 221**, **SB 348**, **SB 416**.

Business organizations and Professions: **SB 353**.

Cities: **SB 339**, **SCR 45**.

Counties and Special Districts: **SB 361**, **SB 366**, **SB 411**.

Education: **SCR 43**, **SJR 52**.

Judiciary-Civil: **SB 316**.

Natural Resources and Environment: **SB 338**, **SB 341**, **SB 369**, **SCR 56**.

Report of Committees

The Committee on Rules reported **HB 8**, **HB 682**, **HB 696**, **HB 843**, **HB 914**, **SB 54**, **SB 173**, **HB 1001**, **HCR 121**, **HB 736**, **HB 883**, **HB 659**, **HCR 86**, **SB 4**, **SB 232**, **SB 233**, **HB 801**, **HB 155**, **HB 846**, **HB 887**, **HJR 72**, and **SB 257** have been posted for passage in Orders of the Day, March 20, 1984.

The Committee on Rules reported the following Bills and Resolutions have been recommitted:

Appropriations and Revenue: **HJR 70**, **HJR 99**, **HB 622**, **HB 694**.

Health and Welfare: **SB 201**.

The Committee on Education reported **HB 775**, **HB 798**, **HCR 90**, and **SB 208** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 775, AN ACT relating to state participation in federal surplus property programs and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 156.022 is amended to read as follows:
[~~(1) There shall be established a division of surplus property in the department of education.~~
~~(2)~~] The division of surplus property *within the department of education* is authorized and empowered to receive, warehouse, and distribute surplus property under the provisions of the federal property and administrative services act of 1949, as amended, [~~and~~] other federal laws relating to surplus property *and the permanent state plan of operation for the division of surplus property.* The division shall comply with federal laws and regulations *and the most recently approved permanent state plan* in the administration of surplus property received through federal agencies, and shall establish with the approval of the state board *of* [~~for elementary and secondary~~] education such rules and regulations necessary for compliance with minimum standards established therein.

Section 2. Whereas, legislative development of a permanent state plan of operation relative to federal surplus property administration and state participation in such program is required on or before June 30, 1984, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the governor.

HB 798, AN ACT relating to broadcast rights to state universities' athletic events.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 164 IS CREATED TO READ AS FOLLOWS:

(1) As used in this section, a "pay-per-view package" means a subscription that is offered through cable television systems that allows exclusive viewing of a limited number of broadcasts by patrons who pay a fee in addition to the basic cable subscription fee.

(2) No state university shall sell the broadcast rights to its athletic events to any person who intends to offer those broadcasts in a pay-per-view package.

HCR 90, A CONCURRENT RESOLUTION establishing as policy of the Commonwealth that joint projects between state agencies and the university system be encouraged.

WHEREAS, the Commonwealth of Kentucky gets a less than desirable share of federal research and development monies and in some areas gets shares which are among the lowest in the nation; and

WHEREAS, state and private college and university faculty in the Commonwealth often lack the experience in federal priority areas necessary to obtain available federal research and development monies; and

WHEREAS, the various state agencies frequently require policy research, needs assessment, and program evaluation in state and federal priority areas, but often lack staff, trained in the necessary research and methodological skills; and

WHEREAS, current research funds available to state agencies and state or private faculty are not specifically targeted to encourage the development of cooperative and joint projects designed to address state and national priority areas;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. It shall be the policy of the Commonwealth to encourage the funding of "joint projects," wherein state agencies identify policy research, evaluation, and needs assessment requirements, while faculty of the Commonwealth's public and private colleges and universities provide the research and methodological skills.

SB 208, AN ACT relating to insurance for the transport of students.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 167 IS CREATED TO READ AS FOLLOWS:

(1) The superintendent of public instruction is authorized to provide liability insurance or an indemnity bond against the negligence of drivers of motor vehicles owned or operated by the department of education for the transportation of members of the student bodies of the Kentucky school for the blind, the Kentucky school for the deaf and the Eastern Kentucky comprehensive rehabilitation center at Thelma. If the transportation of members of the student bodies is let out under contract, the contract shall require the contractor to carry an indemnity bond or liability insurance against negligence to such amounts as the superintendent of public instruction designates. In either case the indemnity bond or insurance policy shall be issued by a surety or insurance company authorized to transact business in this state, and shall bind the company to pay any final judgment not to exceed the limits of the policy rendered against the insured for loss or damage to property of any student or other person, or death or injury of any student or other person.

The Committee on State Government reported **HB 941** with Committee Substitute attached thereto, **HB 974,** and **SB 156** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 941, AN ACT relating to state personnel.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 18A.115 is amended to read as follows:

(1) The classified service to which KRS 18A.005 to 18A.200 shall apply shall comprise all positions in the state service now existing or hereafter established, except the following:

(a) The general assembly and employes of the general assembly including the employes of the legislative research commission;

(b) Officers elected by popular vote and persons appointed to fill vacancies in elective offices;

(c) Members of boards and commissions;

(d) Officers and employes on the staff of the governor, the lieutenant governor, the office of the secretary of the governor's cabinet, and the office of program administration;

(e) Cabinet secretaries, commissioners, office heads, and the administrative heads of all boards and commissions, including the executive director of Kentucky Educational Television;

(f) Employes of Kentucky Educational Television who have been determined to be exempt from classified service by the Kentucky Authority for Educational Television, which shall have sole authority over such exempt employes for employment, dismissal and setting of compensation, up to the maximum established for the executive director and his principal assistants;

(g) One (1) principal assistant or deputy for each person exempted under *paragraph* [~~subsection (1)~~] (e) of this *subsection* [~~section~~];

(h) One (1) additional principal assistant or deputy as may be necessary for making and carrying out policy for each person exempted under *paragraph* [~~subsection (1)~~] (e) of this *subsection* [~~section~~] in those instances in which the nature of the functions, size or complexity of the unit involved are such that the commissioner approves such an addition on petition of the relevant cabinet secretary or department head and such other principal assistants, deputies, or other major assistants as may be necessary for making and carrying out policy for each person exempted under *paragraph* [~~subsection (1)~~] (e) of this *subsection* [~~section~~] in those instances in which the nature of the functions, size or complexity of the unit involved are such that the board may approve such an addition or additions on petition of the department head approved by the commissioner;

(i) Division directors subject to the provisions of KRS 18A.170. Division directors in the classified service as of January 1, 1980, shall remain in the classified service;

(j) Physicians employed as such;

(k) One (1) private secretary for each person exempted under *paragraphs (e), (g) and (h)* [~~subsections (1)(e), (1)(g) and (1)(h)~~] of this *subsection* [~~section~~];

(l) The judicial department, referees, receivers, jurors, and notaries public;

(m) Officers and members of the staffs of state universities and colleges and student employes of such institutions; and officers, teachers, and employes of local boards of education;

(n) Patients or inmates employed in state institutions;

(o) Persons employed in a professional or scientific capacity to make or conduct a temporary or special inquiry, investigation, or examination on behalf of the general assembly, or a committee thereof, or by authority of the governor, and persons employed by state agencies for a specified, limited period to provide professional, technical, scientific, or artistic services under the provisions of KRS 45.700 to 45.720;

(p) Seasonal, temporary, and emergency employes;

(q) Federally funded time-limited employes;

(r) Officers and members of the state militia;

(s) State police troopers and sworn officers in the bureau of state police, department of justice;

(t) University or college engineering students or other students employed part-time or part-year by the state through special personnel recruitment programs; provided that while so employed such aides shall be under contract to work full-time for the state after graduation for a period of time approved by the commissioner or shall be participants in a cooperative education program approved by the commissioner;

(u) Superintendents of state mental institutions, including heads of mental retardation centers, and penal and correctional institutions as referred to in KRS 196.180(2);

(v) Staff members of the Kentucky Historical Society, if they are hired in accordance with KRS 171.311;

(w) County and commonwealth's attorneys and their respective appointees.

(2) Nothing in KRS 18A.005 to 18A.200 is intended, or shall be construed, to alter or amend the provisions of KRS 150.022 and 150.061.

(3) Nothing herein is intended or shall be construed to affect any nonmanagement, nonpolicy-making position which must be included in the classified service as a prerequisite to the grant of federal funds to a state agency.

(4) Classified employes with status promoted to positions exempted from classified service shall, upon termination of their employment in the exempted service, revert to a position in that class in the agency from which they were terminated if a vacancy in that class exists. If no such vacancy exists, they shall be *offered* [~~considered for~~] employment in any vacant position for which they *are* [~~were~~] qualified [~~pursuant to KRS 18A.130 and 18A.135~~].

(5) Nothing herein shall be construed as precluding appointing officers from filling nonclassified positions in the manner in which positions in the classified service are filled except as otherwise provided herein.

The Committee Substitute to **HB 941** is as follows:

HB 941, AN ACT relating to state personnel.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

(1) The department of personnel and the personnel board shall not promulgate administrative regulations:

(a) When they are not authorized by statute to promulgate administrative regulations;

(b) When a statute prohibits them from regulation of that particular matter;

(c) When they are not authorized by statute to regulate that particular matter;

(d) When a statute prescribes the same or similar procedure for the matter regulated;

(e) When a statute sets forth a comprehensive scheme of regulation of the particular matter;

(f) On any matter which is not clearly within their jurisdiction;

(g) On any matter which is beyond their statutory authorization to promulgate administrative regulations or which is not clearly authorized by statute; and

(h) Which modify or vitiate a statute or its intent.

(2) Any administrative regulation in violation of this section or the spirit thereof is null, void, and unenforceable.

(3) The department and the board shall not issue standards or by any other name issue a document of any type where an administrative regulation is required or authorized by law.

SECTION 2. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

(1) The department of personnel and the personnel board shall not by internal policy, memorandum, or other form of action:

(a) Modify a statute or administrative regulation;

(b) Expand upon or limit a statute or administrative regulation; and

(c) Expand or limit a right guaranteed by the Constitution of the United States, the Constitution of Kentucky, a statute, or an administrative regulation.

(2) Any departmental memorandum, internal policy, or other form of action violative of this section or the spirit thereof is null, void, and unenforceable.

(3) This section shall not be construed to prohibit an administrative body issuing an opinion or administrative decision which is authorized by statute.

SECTION 3. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

(1) A classified employe with status who is dismissed, demoted, laid off, transferred or suspended, and an unclassified employe who is dismissed, demoted or suspended for cause, who believes that the action taken by an appointing authority contravenes the procedural requirements established by this chapter and the administrative regulations of the department of personnel governing the action, may, within fourteen (14) days after notice of the action, petition, in writing, the executive director of the personnel board for a stay of the action. If the executive director finds, upon review of the petition, that a prima facie violation of the procedural requirements occurred, he shall issue an order to stay the action pending review by the personnel board. Nothing in this section shall affect the right of an employe to appeal the appointing authority's action to the board in accordance with KRS 18A.095.

(2) Within seven (7) days of the filing of a petition for stay of an appointing authority's action, the executive director shall grant or deny the petition and formally notify all parties of his determination. An order by the executive director shall have the same force and effect as if ordered by the personnel board.

(3) The personnel board shall review the executive director's order staying the action at its next regularly scheduled meeting. If the board finds that the agency action complained of complied with procedural requirements established by this chapter and the administrative regulations of the department of personnel, the board shall issue an order declining to stay the action. If the board finds that the agency action complained of did not comply with the procedural requirements established by this chapter or the administrative regulations of the department of personnel, the board shall affirm the order of the executive director staying the action.

SECTION 4. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

(1) Except as provided by KRS 18A.130 and KRS 18A.135, an employe with status who has received notice of layoff or whose employment has been terminated by layoff, dismissal other than for cause, and, in the case of an unclassified career employe, resignation other than for cause, shall have first refusal rights in the filling of any vacancy in a covered position in the agency from which he was terminated for a period of one (1) year from the date of termination. Vacancies which can be filled by promotion, demotion or intra-agency transfer are exempted from the provisions of this section.

(2) An employe wishing to be reemployed under the provisions of this section shall advise the department in writing and update his job application by specifically identifying his area of availability, the minimum salary he will be willing to accept, and the minimum pay grade he will be willing to accept. The minimum pay grade selected shall not be higher than the pay grade to which he was assigned when he received notice of layoff, was terminated by layoff, dismissed other than for cause, or resigned other than for cause. The rate of compensation assigned upon reemployment shall not exceed the employe's salary at the time he received notice of layoff, was dismissed other than for cause, or required to resign other than for cause.

(3) An employe reemployed under the provision of this section, or who declines a bona fide offer, abrogrates his first refusal rights.

(4) When two (2) or more employes in an agency seek reemployment under the provisions of this section, the commissioner shall rank such employes by giving consideration to qualifications, performance appraisals, conduct,and seniority in service.

Section 5. KRS 18A.005 is amended to read as follows:

As used in this chapter, unless the context indicates otherwise:

(1) "Appointing officer" means the officer or employe or group of officers or employes authorized by law to make appointments;

(2) "Board" means the personnel board created by KRS 18A.045;

(3) "Career employe" shall mean a state employe with *sixteen (16)* [~~twenty (20)~~] or more years of permanent full-time state service, or the part-time employment equivalent of at least *sixteen (16)* [~~twenty (20)~~] years of full-time state service. The service may have been in the classified service, the unclassified service, or a combination thereof.

(4) "Certification" means the referral of the name of one (1) or more qualified prospective employes by the commissioner on request of an appointing officer for consideration in filling a position in the classified service;

(5) "Class" means a group of positions sufficiently similar as to duties performed, scope of discretion and responsibility, minimum requirements of training, experience, or skill, and such other

characteristics that the same title, the same tests of fitness, and the same schedule of compensation have been or may be applied to each position in the group;

(6) "Classified service" includes all the employment subject to the terms of this chapter except for those positions expressly cited in KRS 18A.115; a "classified position" is a position in the classified service;

(7) "Commissioner" means the commissioner of the department of personnel as provided for in KRS 18A.015;

(8) "Demotion" means a change in the rank of an employe from a position in one (1) class to a position in another class having a lower minimum salary range *or* [~~and~~] less discretion or responsibility;

(9) "Department" means the department of personnel provided for in KRS 18A.015 unless the context indicates otherwise;

(10) "Eligible" refers to a person who has made a passing score on any examination required under KRS 18A.005 to 18A.200 and who has qualified to be placed on a register;

(11) "Emergency employe" means an employe appointed without regard to the examination requirements of KRS 18A.005 to 18A.200 to any position by reason of a governmental emergency, whose appointment is not to exceed thirty (30) working days in duration and is nonrenewable;

(12) "Employe" means a person regularly appointed to a position in the state service for which he is compensated on a full-time or part-time basis;

(13) "Gross annual salary or wages," for the purpose of calculating the annual increment, means the total amount of compensation received by an employe, including, but not limited to awards, salaries, wages, increments, overtime, compensatory leave payments, or bonuses, for the twelve month period preceding his anniversary date.

(14) "Penalized" shall include, but not be limited to, demotion, dismissal, suspension, fines and other disciplinary actions, involuntary transfer, any action, the effect of which is alleged to diminish the discretion or responsibility of an employe without proper cause including a reclassification or reallocation, and, the abridgement or denial of other rights granted state employes or to citizens generally.

(15)[~~(13)~~] "Position" means an office or employment in an agency (whether part-time, full-time, permanent, temporary, seasonal, federally funded time-limited, or emergency, occupied or vacant) involving duties requiring the services of one (1) person;

(16)[~~(14)~~] "Probation" means the period of service following appointment to any position under KRS 18A.005 to 18A.200 which requires special observation and evaluation of an employe's work and which must be passed successfully before status may be conferred as provided in KRS 18A.110. An employe serving the probationary period is known as a "probationary employe";

(17)[~~(15)~~] "Promotion" means a change of rank of an employe from a position in one (1) class to a position in another class having a higher minimum salary and carrying a greater scope of discretion or responsibility;

(18)[~~(16)~~] "Provisional employe" means any employe appointed on a temporary or interim basis to a permanent position under KRS 18A.005 to 18A.200 without examination, such appointment being made necessary by the absence of a register for the position involved and by the time limitations and prohibition on renewal as defined in KRS 18A.110;

(19) "Reallocation" shall mean the change in the allocation of an existing position to its proper class. Positions with similar duties, scope of discretion and responsibility, minimum requirements of training, experience or skill, meriting approximately equal pay shall be allocated to the same class.

(20) "Reclassification" shall mean the change in the classification of an existing position when a material and permanent change in the duties or responsibilities of that position occurs.

(21)[~~(17)~~] "Reemployment list" means the separate list of names of persons reduced in force by reason of lack of appropriations, curtailment of program or abolishment of position or of organizational unit, and through no fault of their own, who have requested the opportunity for further consideration of state employment. Reemployment lists are used as provided in KRS 18A.110 and subject to KRS 18A.130 and 18A.135;

(22)[~~(18)~~] "Register" means any official list of eligibles for a particular class placed in rank order according to the examination records, maintained for use in making original appointments or promotions to positions in the classified service;

(23)[~~(19)~~] "Status" means the acquisition of tenure with all rights and privileges appertaining thereunto after satisfactory completion of the probationary period by an employe in the classified service. *In addition "status" means the level, rank, discretion, and responsibilities achieved within the classification and compensation systems*;

(24)[~~(20)~~] A "temporary position" is one created for a defined period of time not to exceed six (6) months and not renewable; a "temporary employe" is one (1) appointed to such a temporary position. A "seasonal position," although temporary in duration in the foregoing sense, coincides in duration with a particular season or seasons of the year, but may not exceed eleven (11) months duration, and may recur regularly from year to year; a "seasonal employe" is one appointed to such a seasonal position from an existing eligible list or without reference to an eligible list;

(25)[~~(21)~~] A "federally funded time-limited position" is one created for the specific purpose of providing public service employment or one-time special or research project services for a limited period of time and shall not exceed the period of time for which that specific federal funding is provided. A "federally funded time-limited" employe is one appointed to such position and, except as provided in KRS 18A.115, may in all other respects be entitled to the benefits provided permanent, full-time regular employes as defined in KRS 18A.005 to 18A.200;

(26)[~~(22)~~] "Transfer" means a movement of any employe from one (1) position to another of the same grade having the same salary ranges and the same level of responsibility within the classified service;

(27)[~~(23)~~] A "war veteran" is a person who served on active duty in the United States armed forces during any war, or in a campaign or expedition for which a campaign badge or service medal has been authorized, or between April 28, 1952, and July 1, 1955 or between August 6, 1964 and May 7, 1975.

Section 6. KRS 18A.030 is amended to read as follows:

The commissioner shall be the executive and administrative head of the department and shall supervise and control all examinations and work of the department. He shall act as an adviser to the board on matters pertaining to the classified service of this state. Within the limitations of the budget, the commissioner shall appoint and supervise such staff as may be needed in the department to carry out the purposes of KRS 18A.005 to 18A.200 except employes of the board as provided in KRS 18A.090. *Subject to the provisions of this Act and KRS Chapter 13* it shall be the duty of the commissioner, with the aid of his staff to:

(1) Attend all meetings of the board;

(2) Prepare and recommend to the board *administrative* [~~rules and~~] regulations for the purpose of carrying out the provisions of KRS 18A.005 to 18A.200. Such *administrative regulations* [~~rules~~] shall provide, among other things, the manner of completing appointments and promotions, including multiple and simultaneous certifications; rejection of ineligible candidates; competitive examinations; creation of eligible lists with successful candidates ranked according to their rating in the examination; leaves of absence with and without pay; transfers, reinstatements, layoffs; public notice of examinations; procedures for changes in rates of pay; and other conditions of employment;

(3) Establish general procedures for personnel recruitment, for certification, for improving the efficiency of employed personnel, and for the separation of employes deemed unsatisfactory or excessive by agency or department heads subject to the provisions of KRS 18A.005 to 18A.200;

(4) Appoint such examiners and technicians as are necessary for the conduct of the personnel program, whether on a permanent or temporary basis;

(5) Prepare and maintain a record of all employes, showing for each employe his name, address, title of position held, rate of compensation, changes in status, compensation, or title, transfer, and to make such data and the class specifications for all positions available to the press and public;

(6) Prepare, in accordance with the provisions of KRS 18A.005 to 18A.200 and the *administrative regulations* [~~rules~~] adopted thereunder, examinations, eligible lists, and ratings of candidates for appointment;

(7) Make certification for appointment or promotion within the classified service, in accordance with the provisions of KRS 18A.005 to 18A.200;

(8) Make investigations concerning all matters touching the enforcement and effect of the provisions of KRS 18A.005 to 18A.200 and rules and regulations prescribed thereunder;

(9) Prepare, in cooperation with appointing authorities and others, programs for appraising employe work performance and collaborate with the several departments of the Commonwealth in the development of programs for employe training, safety, morale, work motivation, health, counseling, and welfare, and exercise leadership in the development of effective personnel administration within the several departments of the Commonwealth, and make available the facilities of the department to this end;

(10) Provide personnel services to unclassified employes in agreement with the agencies involved not otherwise provided for herein;

(11) Present, in accordance with the provisions of KRS *Chapter 48* [~~48.050~~], budget requests for the support of the personnel system created by KRS 18A.005 to 18A.200, excluding the board, which shall present its own budget *requests* [~~estimates~~];

(12) Make a report and submit the same to the board, [~~and to~~] the governor, *and the legislative research commission* not later than October first of each year;

(13) Discharge such other duties as are imposed upon him by KRS 18A.005 to 18A.200, or by the board. The commissioner on behalf of the department may join or subscribe to any association or service having as its purpose the interchange of information relating to the improvement of the public service and especially improvement of personnel administration; and

(14) Keep records relative to employe turnover and report to the board, the governor and the legislative research commission quarterly. The report shall reflect employe turnover rates by cabinet, department, bureau, division and section. If any cabinet,, department, bureau, division or section has a turnover rate of fifteen percent (15%) or more in any twelve (12) month period, the commissioner shall conduct an investigation into the reasons for the turnover and report the findings to the board, the governor

and the legislative research commission.

(15) Keep records relative to personnel board appeals and report to the governor and the legislative research commission annually. The report shall reflect, without naming the employe, the number and type of appeals filed with the board, the appointing authority affected, and the final decision of the board, the courts or both.

Section 7. KRS 18A.040 is amended to read as follows:

As provided by Sections 1, 2 and 9 of this Act, the board and the commissioner shall see that *administrative* [~~rules,~~] regulations and practices meeting federal merit system standards shall, where such standards apply as a prerequisite for federal grants-in-aid, be in effect continuously, notwithstanding any other provision of KRS 18A.005 to 18A.200.

Section 8. KRS 18A.055 is amended to read as follows:

(1) The initial election of a classified employe shall be held on or before September 15, 1982. Subsequent elections shall be held every four (4) years on or before July 1.

(2) The department shall provide written notification of the date of the initial election to all classified employes on or before August 1, 1982. In subsequent elections, written notification shall be provided to all classified employes on or before May 15.

(3) Classified employes wishing to serve on the initial board shall notify the department on or before August 15, 1982, of their intent. The notification shall be notarized and include the candidate's name, address, social security number, job classification and length of state employment. The notification shall also include the name and address of his employer. In subsequent elections all candidates to the board shall notify the department of their intent to run, in the same manner, on or before June 1.

(4) There is hereby created a personnel board election committee, which shall supervise the election of board members under the provisions of this Act. The committee shall consist of three (3) members, one (1) shall be the commissioner or his designee, one (1) shall be the chairman of the board or his designee, and one (1) shall be the head of the coalition of state employes or his designee.

(5) For the initial election to the board the department shall *mail to all classified employes a ballot, two (2) official envelopes for returning the ballot, and instructions for voting. The outer envelope shall bear the words "Classified Employe Voter's Ballot" and the name, official title, and address of the person designated by the department to receive it and shall provide space for the voter's signature, social security number, and place of employment. A detachable flap on the inner envelope shall provide space for the voter's signature, social security number, and place of employment. The department's designee shall type the voter's name, social security number and place of employment in the upper left hand corner of the voter's outer envelope and of the detachable flap on the inner envelope immediately below the blank space for the voter's signature. The inner envelope shall be blank* [~~provide ballots for the initial election to the board to all classified employes on or before September 1, 1982. Ballots shall contain the name, address, job classification and length of state employment of all candidates as well as the names and addresses of their employers~~]. In subsequent elections, ballots shall be provided *in the same manner as provided for the initial election* to all classified employes, in the same manner, on or before June 15.

(6) The voter shall mark his ballot, seal it in the inner envelope and then in the outer envelope, and mail it. The voter shall sign the detachable flap and the outer envelope in order to validate the ballot.

(7) The department's designee shall deposit all of the returned ballots in a locked box immediately upon receipt without opening the outer envelope. The box shall be locked with three (3) different locks. Each member of the committee shall receive one (1) key. The box shall remain locked until the ballots are counted.

(8)[~~(5)~~] All returned ballots for the initial election to the board shall be [~~signed and~~] postmarked no later than midnight, September 15, 1982. In subsequent elections, all returned ballots shall be [~~signed and~~] postmarked no later than midnight, July 1.

(9)[~~(6)~~] The *committee* [~~department~~] shall tabulate all returned ballots for the initial election and subsequent elections to the board *by opening the ballot boxes containing voter's ballots and removing the envelopes one (1) at a time. As each envelope is removed, it shall be examined to ascertain whether the outer envelope and the detachable flap are in proper order and have been signed by the voter. All unsigned ballots shall be rejected automatically. If the outer envelope and detachable flap are found to be in order, the committee shall then remove the detachable flap and place the inner envelope unopened in a ballot box which has been provided for that purpose. After all the blank envelopes have been placed in the box, the box shall be thoroughly shaken so as to redistribute the ballots. The committee shall then open the box, remove the ballots from the inner envelopes and count the ballots on a form provided for this purpose.*

(10) [~~and notify all~~] Successful candidates *shall be notified by the committee* within five (5) working days of the elections. The two (2) candidates receiving the largest number of votes shall be declared the successful candidates. In the event of a tie vote, the tie shall be broken by a coin toss in the presence of the candidates in question. Successful candidates shall take office immediately upon notification.

(11)[~~(7)~~] All ballots, *detachable flaps, and outer envelopes* for the initial and all subsequent elections shall be public record and open to public inspection for at least sixty (60) days after the elections.

(12)[~~(8)~~] State employes shall not use state materials or equipment for any purpose related to the

election of classified employes to the board, nor shall any activity related to the election of a classified employe to the board be conducted during working hours.

Section 9. KRS 18A.075 is amended to read as follows:

Subject to the provisions of this Act and KRS Chapter 13, it shall be the duty of the board to:

(1) Adopt comprehensive *administrative regulations* [~~rules~~] consistent with the provisions of KRS 18A.005 to 18A.200, and with federal standards for the administration of a personnel system in the agencies of the state government receiving federal grants;

(2) Present to the governor, through the secretary of the department of finance, for his adoption such classification and compensation plans for the state service, provision for vacation, sick and special leave and hours of work, together with *administrative regulations* [~~rules~~] for their administration, as recommended by the commissioner and the board after a thorough survey of the personnel and departmental organizations included in such plan or plans;

(3) Make investigations, either on petition of a citizen, taxpayer, interested party, or on its own motion, concerning the enforcement and effect of KRS 18A.005 to 18A.200, and to require observance of its provisions and the *administrative* [~~rules and~~] regulations made pursuant thereto; and to make such investigation as may be requested by the general assembly or the governor and to report thereon;

(4) Hear appeals from applicants for positions for which examinations are being or have been conducted, from eligibles on examination registers, from unclassified employes who have been dismissed, demoted, suspended, or otherwise penalized for cause, and from officers or employes serving under the personnel system created by KRS 18A.005 to 18A.200, as [~~hereinafter~~] provided *by this Act,* subject to the *administrative regulations* [~~procedural rules~~] which the board may adopt pursuant to the provisions of this section;

(5) Promote public understanding of merit principles in government service;

(6) Present, in accordance with the provisions of KRS Chapter 48, budget requests for the support of the personnel board;

(7)[~~(6)~~] Make annual reports to the governor and the legislative research commission and biennial reports to the general assembly, which reports shall be a public record freely available to those persons interested in obtaining a copy;

(8)[~~(7)~~] Advise the governor and the commissioner with respect to the administration of the personnel system created by KRS 18A.005 to 18A.200;

(9)[~~(8)~~] Consider and act on such matters as may be referred to the board by the commissioner; and

(10)[~~(9)~~] Represent the public interest in the improvement of personnel administration in the state service, and advise and assist the commissioner in fostering the interest of institutions of learning and of civic, professional, and employe organizations in the improvement of personnel standards in the state service.

Section 10. KRS 18A.090 is amended to read as follows:

(1) As provided by the budget enacted by the general assembly and other laws applicable to state personnel, the board shall appoint an executive director who shall be the chief administrative officer of the board and serve as secretary to the board. He shall have proven administrative and managerial experience and familiarity with equal employment opportunity laws and regulations. The board shall appoint other employes it deems necessary in accordance with the provisions of this chapter. The salaries of the executive director and other employes of the board shall be determined by order of the board. The executive director of the board shall prepare the budget request for approval by the board in the form and manner required by applicable law. For the purposes of KRS 45.070 the board shall be considered a budget unit.

(2) The attorney general shall be an advisory member of the board. *The attorney general, or his designee shall attend all meetings of the board and advise the board on all matters. The attorney general shall appoint a specific assistant attorney general as his designee. The assistant attorney general so designated shall attend every meeting of the board. The attorney general or his designee shall not act as a hearing officer in employe appeals, or vote on matters before the board.*

Section 11. KRS 18A.095 is amended to read as follows:

(1) Any classified employe who is dismissed, demoted, suspended, or otherwise penalized after completing his probationary period of service or any unclassified employe who is dismissed, demoted, suspended, *denied access to personnel records relating to him as provided by KRS 61.878,* or otherwise penalized for cause may, within thirty (30) days after such dismissal, demotion, suspension, or other form of penalization, appeal to the board for review thereof. *A reallocation may be appealed if the employe has first requested reconsideration as provided by Section 12 of this Act. Any unclassified employe who is dismissed without cause shall not have the right to appeal.*

(2) Appeals to the board shall be in writing on an appeal form to be provided by the board. The appeal form shall instruct the employe to state whether he is a classified or unclassified employe, his full name, his appointing authority, workstation address and telephone number, and, if he has retained counsel, the name, address and telephone number of his attorney. The form shall also instruct the employe to state the action he is appealing and to make a short, plain, statement of the facts. The form shall instruct unclassified employes to make a short, plain, concise statement of the reason or cause given for his dismissal. Upon

receipt of the appeal, the appointing authority and the department of personnel shall be notified.

(3) All notices from the board shall be in writing. Notices shall be written so as to be readily understood by non-attorneys.

(4) [~~Upon such review, both~~] The appealing employe and the appointing authority whose action is reviewed shall have the right to be heard publicly and to be represented by counsel to present evidentiary facts. *Any party to an appeal may obtain discovery of any matter which relates to the subject matter involved in an appeal, by one (1) or more of the following methods: depositions upon oral examination or written questions; written interrogatories; production of documents or public records as defined by KRS 61.870; and requests for admissions. Discovery may be conducted in accordance with the rules of civil procedure.* At the hearing of such appeals, technical rules of evidence shall not apply. *An appeal shall be decided only after a hearing. Each appeal shall be decided individually unless otherwise agreed by the parties and the board.*

(5) Any investigation by the board of any matter related to an appeal filed by an employe shall be conducted only upon notice to the employe, the employe's counsel, and the appointing authority. All parties to the appeal shall have access to information produced by such investigations and such information shall be presented at the hearing. Any party to the hearing shall be permitted an adequate opportunity to rebut or comment upon such information. The board shall base its decision upon facts and information produced at the hearing.

(6) An appeal to the board may be heard by individual members of the board, by its executive director or by a hearing officer of the board. Any appeal heard by less than the full board shall be subject to review by the full board upon petition for such review by either party to the appeal. Petition for review by the full board shall be filed with the board within thirty (30) days of the recommended order issued by a member, the executive director, or a hearing officer.

(a) If the board finds that the action complained of was taken by the appointing authority in violation of laws prohibiting favor for, or discrimination against, or bias with respect to his political or religious opinions or affiliations or ethnic origin, or in violation of laws prohibiting discrimination because of such individual's sex or age or handicap, the appointing authority shall *order immediate reinstatement of* [~~, not later than thirty (30) days after receipt of such findings and recommendations, reinstate~~] the employe to his former position or a position of like status and pay, without loss of pay for the period of his penalization, or otherwise make the employe whole.

(b) If the board finds that the action complained of was taken without just cause, the board shall order *immediate reinstatement of* the employe [~~reinstated~~] to his former position or a position of like status and pay, without loss of pay for the period of his penalization, or otherwise make the employe whole.

(c) [~~In all other cases,~~] If the board finds that the action taken by the appointing authority was excessive or erroneous in view of all the surrounding circumstances, the board shall alter, modify or rescind the disciplinary action.

(d) In all other cases, the board shall rescind the action taken or otherwise grant such other relief to which the employe is entitled.

(7) (a) If the appointing authority appeals the final order of the board in accordance with KRS 18A.100, the reinstated employe shall remain in his former position, or a position of like status or pay, until the conclusion of the appeals process, at which time the appointing authority shall take action in accordance with the court order.

(b) After a final decision has been rendered by the board or court, an employe who prevails in his appeal shall be credited with the amount of leave time used for time spent at his hearing before the board or court. Employes who had an insufficient amount of leave time shall be credited with leave time equal to the amount of time spent at their hearings before the board or court.

(c) If the board rules in favor of the employe, it may award reasonable attorney fees. The award of attorney fees may not exceed the amount which the prevailing party has paid or has agreed to pay the attorney or a maximum amount of forty dollars ($40) per hour.

(8) The appointing authority shall, not later than thirty (30) days after receipt of the final order of the board, comply with such final order. When any employe is dismissed and not ordered reinstated after such appeal, the board in its discretion may direct that his name be placed on an appropriate reemployment list, for employment in any similar position other than the one from which he had been removed.

[~~(2) Any unclassified employe who is dismissed without cause shall not have the right of appeal as provided in this section.~~

~~(3)~~] The board shall, within sixty (60) days after an appeal is filed, hear the appeal, and shall, within ninety (90) days after an appeal is filed, issue a final determination for the disposition thereof.

Section 12. KRS 18A.110 is amended to read as follows:

The commissioner shall prepare and submit to the board proposed *administrative regulations* [~~rules~~] for the classified service. Such *administrative regulations shall comply with the provisions of this Act and KRS Chapter 13. The administrative regulations* [~~rules~~] shall have the force and effect of law, when approved by the board, after public notice and public hearing, and after filing with the legislative research commission in accordance with KRS Chapter 13 and procedures adopted thereunder. If not disapproved by the board within forty-five (45) days after the submission thereof, they shall have the same force and effect as if approved. Amendments thereto may be made in the same manner, or on the initiative of the board. The *administrative regulations* [~~rules~~] shall provide:

(1) For the preparation, maintenance and revision of a position classification plan for all positions in the classified service, based upon similarity of duties performed and responsibilities assumed, so that the same qualifications may reasonably be required for and the same schedule of pay may be equitably applied to all positions in the same class. After such classification has been approved by the board, the commissioner shall allocate the position of every employe in the classified service to one (1) of the classes in the plan. Any employe affected by the allocation of a position to a class shall, after filing with the commissioner a written request for reconsideration thereof in such manner and form as the commissioner may prescribe, be given a reasonable opportunity to be heard thereon by the commissioner. *The commissioner shall make determination within ninety (90) days after the request has been filed by an employe. After reconsideration of the request by the commissioner, the employe may file an appeal to the personnel board pursuant to KRS 18A.095*;

(2) For a pay plan for all employes in the classified service, after consultation with appointing authorities and the secretary of the department of finance. The plan shall take into account such factors as (a) the relative levels of duties and responsibilities of various classes of positions; (b) rates paid for comparable positions elsewhere; and (c) the state's financial resources. Such pay plan shall become effective only after it has been approved by the governor after submission to him by the board. Amendments to the pay plan may be made in the same manner. Each employe shall be paid at one (1) of the rates set forth in the pay plan for the class of position in which he is employed;

(3) For open competitive examinations to test the relative fitness of applicants for the respective positions. Such examinations shall be announced publicly at least fifteen (15) days in advance of the date fixed for the filing of applications therefor, and may be advertised through the press, radio and other media. The commissioner shall continue to receive applications and examine candidates on a continuous basis long enough to assure a sufficient number of eligibles to meet the needs of the service, and shall add the names of successful candidates to existing eligible lists in accordance with their respective ratings. The commissioner shall be free to use any investigation of education and experience and any test of capacity, knowledge, manual skill, character, personal traits, or physical fitness which in his judgment serves the need to discover the relative fitness of applicants;

(4) For promotions which shall give appropriate consideration to the applicant's qualifications, record of performance, conduct and seniority. Vacancies shall be filled by promotion whenever practicable and in the best interest of the service;

(5) For the establishment of eligible lists for appointment, upon which lists shall be placed the names of successful candidates in the order of their relative excellence in the respective examinations. Eligibility lists shall expire automatically at the end of two (2) years, unless the life of a list is extended by action of the board for a period not to exceed one (1) additional year;

(6) For the rejection of candidates or eligibles who fail to comply with reasonable requirements of the commissioner in regard to such factors as age, physical condition, training and experience, or who have been guilty of infamous or disgraceful conduct; who are addicted to alcohol to excess or to narcotics, or who have attempted any deception or fraud in connection with an examination;

(7) For the appointment of a person whose score is included in the five (5) highest scores earned on the examination;

(8) For a period of probation not to exceed one (1) year before appointment or promotion may be made complete, and during which period a probationer may be discharged or reduced in class or rank, or replaced on the eligible list. Unless the appointing authority notifies the employe prior to the end of the probationary period that the employe's services are not satisfactory, the employe shall have status in the classified service. The notice shall be in writing and as provided by personnel rules;

(9) For emergency employment for not more than thirty (30) working days with or without examination, with the consent of the commissioner;

(10) For provisional employment without competitive examination when there is no appropriate eligible list available. No such provisional employment shall continue longer than six (6) months, nor shall successive provisional appointment be allowed to the same position;

(11) For transfer from a position in one (1) department to a similar position in another department involving similar qualifications, duties, responsibilities, and salary ranges;

(12) For reinstatement within not more than five (5) years, only with the approval of the commissioner, of persons who resign in good standing or who are laid off from their positions without fault or delinquency on their part;

(13) For developing, in cooperation with the appointing authorities, uniform standards and methods of appraising work performance of all employes and for the use of such methods of appraisal in personnel actions;

(14) For layoffs by reasons of lack of funds or work, or abolishment of a position, or material

change in duties or organization, and for reinstatement of employes so laid off, giving consideration in both layoffs and reemployment to qualifications, performance records, conduct and seniority in service;

(15) For imposition as disciplinary measures of a fine of not more than ten (10) working days' pay or for suspension from the service without pay for not longer than thirty (30) working days and for the manner of notification of the employe of the discipline and his right of appeal;

(16) For discharge or reduction in rank or grade only for cause, after the person to be discharged or reduced has been presented with the reasons for such discharge or reduction stated in writing, and has been allowed a reasonable time to reply thereto in writing, or, upon request, to appear personally with counsel and reply to the head of the department or his deputy. The statement of reasons and the reply shall be filed as a public record with the commissioner;

(17) For establishment of a plan for resolving employe grievances and complaints;

(18) For annual, sick and special leaves of absence, with or without pay, or reduced pay, after approval by the governor as provided in subsection (2) of KRS 18A.075;

(19) For the development and operation of programs to improve the work effectiveness of employes in the state service, including training, whether in-service or compensated educational leave, safety, health, welfare, counseling, recreation, and employe relations;

(20) For promotion of career employes to positions in the unclassified service without loss of status to the individual employes so promoted;

(21) For such other [~~rules and~~] administrative regulations not inconsistent with KRS 18A.005 to 18A.200 *and KRS Chapter 13,* as may be proper and necessary for its enforcement.

Section 13. KRS 18A.115 is amended to read as follows:

(1) The classified service to which KRS 18A.005 to 18A.200 shall apply shall comprise all positions in the state service now existing or hereafter established, except the following:

(a) The general assembly and employes of the general assembly including the employes of the legislative research commission;

(b) Officers elected by popular vote and persons appointed to fill vacancies in elective offices;

(c) Members of boards and commissions;

(d) Officers and employes on the staff of the governor, the lieutenant governor, the office of the secretary of the governor's cabinet, and the office of program administration;

(e) Cabinet secretaries, commissioners, office heads, and the administrative heads of all boards and commissions, including the executive director of Kentucky Educational Television;

(f) Employes of Kentucky Educational Television who have been determined to be exempt from classified service by the Kentucky Authority for Educational Television, which shall have sole authority over such exempt employes for employment, dismissal and setting of compensation, up to the maximum established for the executive director and his principal assistants;

(g) One (1) principal assistant or deputy for each person exempted under *paragraph* [~~subsection (1)~~] (e) of this *subsection* [~~section~~];

(h) One (1) additional principal assistant or deputy as may be necessary for making and carrying out policy for each person exempted under *paragraph* [~~subsection (1)~~] (e) of this *subsection* [~~section~~] in those instances in which the nature of the functions, size or complexity of the unit involved are such that the commissioner approves such an addition on petition of the relevant cabinet secretary or department head and such other principal assistants, deputies, or other major assistants as may be necessary for making and carrying out policy for each person exempted under *paragraph* [~~subsection (1)~~] (e) of this *subsection* [~~section~~] in those instances in which the nature of the functions, size or complexity of the unit involved are such that the board may approve such an addition or additions on petition of the department head approved by the commissioner;

(i) Division directors subject to the provisions of KRS 18A.170. Division directors in the classified service as of January 1, 1980, shall remain in the classified service;

(j) Physicians employed as such;

(k) One (1) private secretary for each person exempted under *paragraphs (e), (g) and (h)* [~~subsections (1)(e), (1)(g) and (1)(h)~~] of this *subsection* [~~section~~];

(l) The judicial department, referees, receivers, jurors, and notaries public;

(m) Officers and members of the staffs of state universities and colleges and student employes of such institutions; and officers, teachers, and employes of local boards of education;

(n) Patients or inmates employed in state institutions;

(o) Persons employed in a professional or scientific capacity to make or conduct a temporary or special inquiry, investigation, or examination on behalf of the general assembly, or a committee thereof, or by authority of the governor, and persons employed by state agencies for a specified, limited period to provide professional, technical, scientific, or artistic services under the provisions of KRS 45.700 to 45.720;

(p) Seasonal, temporary, and emergency employes;

(q) Federally funded time-limited employes;

(r) Officers and members of the state militia;

(s) State police troopers and sworn officers in the bureau of state police, department of justice;

(t) University or college engineering students or other students employed part-time or part-year by the state through special personnel recruitment programs; provided that while so employed such aides shall be under contract to work full-time for the state after graduation for a period of time approved by the commissioner or shall be participants in a cooperative education program approved by the commissioner;

(u) Superintendents of state mental institutions, including heads of mental retardation centers, and penal and correctional institutions as referred to in KRS 196.180(2);

(v) Staff members of the Kentucky Historical Society, if they are hired in accordance with KRS 171.311;

(w) County and commonwealth's attorneys and their respective appointees.

(2) Nothing in KRS 18A.005 to 18A.200 is intended, or shall be construed, to alter or amend the provisions of KRS 150.022 and 150.061.

(3) Nothing herein is intended or shall be construed to affect any nonmanagement, nonpolicy-making position which must be included in the classified service as a prerequisite to the grant of federal funds to a state agency.

(4) Classified employes with status promoted to positions exempted from classified service shall, upon termination of their employment in the exempted service, revert to a position in that class in the agency from which they were terminated if a vacancy in that class exists. If no such vacancy exists, they shall be *offered* [~~considered for~~] employment in any vacant position for which they *are* [~~were~~] qualified pursuant to *Section 4 of this Act* [~~KRS 18A.130 and 18A.135~~].

(5) Nothing herein shall be construed as precluding appointing officers from filling nonclassified positions in the manner in which positions in the classified service are filled except as otherwise provided herein.

Section 14. KRS 18A.125 is amended to read as follows:

(1) No disbursing or auditing officer of the Commonwealth shall make or approve or take any part in making or approving any payment for personal service to any person holding a position in the classified or unclassified service unless the payroll voucher or account of such pay bears the certification of the commissioner, or of his authorized agent, that the persons named therein have been appointed and employed in accordance with the provisions of KRS 18A.005 to 18A.200, *administrative* [~~and the rules,~~] regulations[~~,~~] and orders thereunder. The commissioner may for proper cause or upon order of the board withhold certification from an entire payroll or from any specific item or items thereon. The commissioner may, however, provide that certification of payrolls may be made once every six (6) months, and such certification shall remain in effect except in the case of any officer or employe whose status has changed after the last certification of his payroll. In the latter case no voucher for payment of salary to such employe shall be issued or payment of salary made without the further certification of the commissioner.

(2) Any citizen, including public officers, may maintain a suit to restrain a disbursing officer from making any payment in contravention of any provision of KRS 18A.005 to 18A.200, or of any *administrative* [~~rule,~~] regulation or order thereunder. Any sum paid contrary to any provision of KRS 18A.005 to 18A.200 or of any rule, regulation, or order thereunder may be recovered in an action maintained by any citizen, from any officer who made, approved, or authorized such payment or who signed or countersigned a voucher, payroll, check or warrant for such payment, or from the sureties on the official bond of any such officer. All moneys recovered in any such action shall be paid into the treasury.

(3) Any person appointed or employed in contravention of any provision of KRS 18A.005 to 18A.200 or of any *administrative* [~~rule,~~] regulation, or order thereunder, who performs service for which he is not paid, may maintain an action against the officer or officers, employe or employes, who purported so to appoint or employ him, to recover the agreed pay for such services, or the reasonable value thereof if no pay was agreed upon. No such officer or employe shall be reimbursed by the Commonwealth at any time for any sum paid to such person on account of such services.

(4) If the commissioner wrongfully withholds certification of the payroll voucher or account of any employe, such employe may maintain a proceeding in the circuit court in the county in which he resides to compel the commissioner to certify such payroll voucher or account.

Section 15. KRS 18A.155 is amended to read as follows:

(1) The commissioner shall prepare and submit proposed *administrative regulations* [~~rules~~] to the governor for employes in unclassified positions enumerated in paragraphs (g), (h), (i), (j), (k), (p), (u), and (v) of subsection (1) of KRS 18A.115. Such *administrative regulations* [~~rules~~] shall become effective after approval by the governor and promulgation in accordance with KRS Chapters 12 and 13 *and the provisions of this Act.* The *administrative regulations* [~~rules~~] shall provide:

(a) For the preparation, maintenance and revision of a position classification plan for all aforementioned positions in the unclassified service, based upon similarity of duties performed and responsibilities assumed, so that the same qualifications may reasonably be required for and the same schedule of pay may be equitably applied to all positions in the same class. After such classification plan has been approved by the governor, the commissioner shall allocate the positions of every employe in the unclassified service to one (1) of the classes of the plan. Any employe affected by the allocation of a position to a class shall, after filing with the commissioner a written request for reconsideration thereof in such manner and form as the commissioner may prescribe, be given a reasonable opportunity to be heard thereon by the commissioner;

(b) For a pay plan for all aforementioned employes in the unclassified service, after consultation with appointing authorities and the secretary of the department of finance, and taking into account such factors as 1. the relative levels of duties and responsibilities of various classes of positions; 2. rates paid for comparable positions elsewhere; and 3. the state's financial resources. Such pay plan shall become effective only after it has been approved by the governor after submission to him by the commissioner through the secretary of the department of finance. Amendments to the pay plan may be made in the same manner. Each employe shall be paid at one (1) of the rates set forth in the pay plan for the position in which he is employed;

(c) For transfer from a position in one (1) department to a similar position in another department involving similar qualifications, duties, responsibilities, and salary ranges;

(d) For annual, sick and special leaves of absence, with or without pay, or reduced pay, after approval by the governor as provided in subsection (2) of KRS 18A.075;

(e) For the development and operation of programs to improve the work effectiveness and morale of employes in the unclassified service, including training, safety, health, welfare, counseling, recreation, and employe relations;

(f) For such other [~~rules and~~] administrative regulations, not inconsistent with KRS 18A.005 to 18A.200, as may be proper and necessary for its enforcement.

(2) Nothing herein shall be construed to preclude the optional use of *administrative regulations* [~~rules~~] promulgated under this section on behalf of employes enumerated in paragraphs (a), (b), (d), (e) and (q) of subsection (1) of KRS 18A.115 and on behalf of members of state boards and commissions who work on a full-time, salaried basis.

Section 16. KRS 18A.165 is amended to read as follows:

(1) All officers and employes of the Commonwealth shall comply with, and aid in all proper ways in carrying out, the provisions of KRS 18A.005 to 18A.200 and the *administrative* [~~rules,~~] regulations[~~,~~] and orders [~~of the board~~] thereunder. All officers and employes shall furnish any records or information pertaining to the administration of KRS 18A.005 to 18A.200 which the commissioner or the board may request. The commissioner or the board may require the attorney general to institute and maintain such legal action as the commissioner or the board may consider necessary or appropriate to secure compliance with KRS 18A.005 to 18A.200 and the *administrative regulations* [~~rules~~] and orders thereunder.

(2) The secretary of the finance and administration cabinet may review and approve all proposed position establishments and abolishments. Reclassifications and reallocations may also be reviewed and approved by the secretary of the finance and administration cabinet on the basis of the availability of funds. The finance and administration cabinet shall notify the department and the board of any review and approval conducted under the provisions of this section.

Section 17. KRS 18A.185 is amended to read as follows:

For the purpose of any *administrative* regulation issued under KRS 18A.110 or 18A.155 governing entitlement to annual leave days, sick leave days or the accumulation of such leave days, any period of service as an elected state official, including but not limited to service in the general assembly, by any officer or employe to whom such *administrative* regulation applies shall be considered to have been full-time employment in the state service.

Section 18. KRS 18A.202 is amended to read as follows:

Subject to the approval of the personnel board, the commissioner is authorized to install and implement by *administrative* regulation work-related incentive programs for state employes. Such programs may include, but not be limited to, an employe suggestion system whereby employes in the classified service may be recognized and rewarded for submitting suggestions that result in the improvement of state service or in the realization of financial savings by the state. Such programs may provide that when an employe suggestion has been adopted and resulted in a financial savings to the state, the employe who submitted the suggestion may be compensated for his service through a cash bonus in an amount to the lesser of ten percent (10%) of the amount saved or two thousand five hundred dollars ($2,500).

Section 19. KRS 18A.355 is amended to read as follows:

(1) An annual increment of not less than five percent (5%) of the gross annual salary or wages of each state employe shall be granted to each employe *on his anniversary date. The employe's salary shall be increased by the amount of the annual increment.*

(2) The *branch* [~~biennial~~] budget *recommendation* [~~report~~] submitted to the general assembly under KRS *Chapter 48* [~~45.040~~] shall include a request for the amount of the annual increment expressed as a percentage of each employe's gross salary or wages and a request for the total appropriation needed to fund the annual increment. The annual increment shall be uniform for all employes. *The budget reduction plan submitted and enacted under the provisions of KRS 48.130 shall provide that a reduction of the annual increment granted under this section shall be made only after other cost savings actions, including but not*

limited to a hiring freeze, have been taken and have not alleviated the actual or projected deficit. Any reduction in the annual increment shall be uniform for all employes, and shall comply with the provisions of KRS Chapter 48 and this Act. The financial plan enacted under the provisions of KRS *48.300* [~~45.050~~] shall contain the annual increment expressed as a percentage of each employe's gross salary or wages, and the total appropriation needed to fund the annual increment.

Section 20. KRS 18A.360 is amended to read as follows:

[~~(1)~~] When the general assembly is not in session, the annual increment may be increased or decreased as provided by *the budget reduction plan enacted under the provisions of KRS Chapter 48 and this Act* [~~this section~~].

[~~(2) Any increase or reduction in the annual increment shall be uniform for all employes.~~

~~(3) An increase or reduction in the annual increment shall be approved by the secretary of the personnel and management cabinet, the commissioner of the department of personnel and the secretary of the department of finance.~~

~~(4) A reduction in the annual increment may be made if the secretary of the department of finance determines that the financial condition of state government requires such a reduction.~~]

Section 21. KRS 48.130 is amended to read as follows:

(1) The branch budget recommendation submitted by each branch of government shall include a plan for the reduction of the respective budget recommendations, by budget unit, when projected or actual tax receipts accruing to the general fund or road fund are at least two and one-half percent (2 1/2%) but not more than five percent (5%) less than the revenue estimates for these funds as determined under subsection (3) of KRS 48.120.

(2) In recommending budget reductions, the governor, the chief justice, and the legislative research commission shall not recommend universal percentage reductions but shall weigh the needs of all budget units and shall strive to protect the highest possible level of service in their respective branches. Services which are not essential to constitutional functions shall be subject to reduction. Transfer of funds may be authorized by the budget reduction plan.

(3) The plan shall be enacted as modified by the general assembly, in each joint budget resolution.

(4) In the event of an actual or projected deficit in tax receipts provided for by this section, the department of revenue shall notify all branches of government:

(a) If funds that have accrued to the surplus accounts of the general or road funds are not sufficient to meet these deficits, the allotments to the respective branches shall be reduced according to the reduction provisions embodied in the joint budget resolution, and the governor, the chief justice, and the legislative research commission shall automatically implement budget reductions for their respective branches according to the reduction provisions embodied in the joint budget resolution.

(b) In the event funds that have accrued to the surplus accounts of the general or road funds are sufficient to meet these deficits, transfers from these surplus accounts shall be made, as appropriate, and the budget reduction provisions embodied in the joint budget resolution shall not be implemented.

(5) In the event of an actual or projected deficit in tax receipts provided for by this section of less than two and one-half percent (2 1/2%), the governor, the chief justice, and the legislative research commission shall implement budget reductions for their respective branches on their own initiative.

(6) The budget reduction plan, shall provide that the annual increment granted state employes under the provisions of Section 19 of this Act shall be reduced only after other cost saving actions, including but not limited to a hiring freeze, have been taken and have not alleviated the actual or projected deficit. Any reduction of the annual increment shall be uniform for all employes.

(7) If general fund or road fund tax receipts increase over the estimated deficits, then services shall be restored in the reverse order of the reduced services.

(8)[~~(7)~~] This section shall not preclude the general assembly, in regular or special session, from amending a joint budget resolution requiring budget reductions nor shall it preclude the governor from calling a special session of the general assembly at any time the budget reduction plan is in effect.

Section 22. KRS 61.878 is amended to read as follows:

(1) The following public records are excluded from the application of KRS 61.870 to 61.884 and shall be subject to inspection only upon order of a court of competent jurisdiction:

(a) Public records containing information of a personal nature where the public disclosure thereof would constitute a clearly unwarranted invasion of personal privacy.

(b) Records confidentially disclosed to an agency and compiled and maintained for scientific research, in conjunction with an application for a loan, the regulation of commercial enterprise, including mineral exploration records, unpatented, secret commercially valuable plans, appliances, formulae, or processes, which are used for the making, preparing, compounding, treating, or processing of articles or materials which are trade commodities obtained from a person and which are generally recognized as confidential, or for the grant or review of a license to do business and if openly disclosed would permit an unfair advantage to competitors of the subject enterprise. This exemption shall not, however, apply to records the disclosure or publication of which is directed by other statute.

(c) Public records pertaining to a prospective location of a business or industry where no previous public disclosure has been made of the business' or industry's interest in locating in, relocating within or expanding within the Commonwealth. Provided, however, that this exemption shall not include those records pertaining to application to agencies for permits or licenses necessary to do business or to expand business operations within the state, except as provided in paragraph (b) above.

(d) The contents of real estate appraisals, engineering or feasibility estimates and evaluations made by or for a public agency relative to acquisition of property, until such time as all of the property has been acquired; provided, however, the law of eminent domain shall not be affected by this provision.

(e) Test questions, scoring keys and other examination data used to administer a licensing examination, examination for employment or academic examination before the exam is given or if it is to be given again.

(f) Records of law enforcement agencies or agencies involved in administrative adjudication that were compiled in the process of detecting and investigating statutory or regulatory violations if the disclosure of the information would harm the agency by revealing the identity of informants not otherwise known or by premature release of information to be used in a prospective law enforcement action or administrative adjudication. Unless exempted by other provisions of KRS 61.870 to 61.884, public records exempted under this provision shall be open after enforcement action is completed or a decision is made to take no action. Provided, however that the exemptions provided by this subsection shall not be used by the custodian of the records to delay or impede the exercise of rights granted by KRS 61.870 to 61.884.

(g) Preliminary drafts, notes, correspondence with private individuals, other than correspondence which is intended to give notice of final action of a public agency.

(h) Preliminary recommendations, and preliminary memoranda in which opinions are expressed or policies formulated or recommended.

(i) All public records or information the disclosure of which is prohibited by federal law or regulation.

(j) Public records or information the disclosure of which is prohibited or restricted or otherwise made confidential by enactment of the general assembly.

(2) No exemption in this section shall be construed to prohibit disclosure of statistical information not descriptive of any readily identifiable person.

(3) If any public record contains material which is not excepted under this section, the public agency shall separate the excepted and make the non-excepted material available for examination.

(4) *No exemption in this section shall be construed to deny, abridge or impede the right of a state employe, to inspect any personnel record that relates to him. Such records shall include, but not be limited to, work plans, job performance, demotions, evaluation, promotions, compensation, transfers, layoffs, disciplinary actions, examinations, and preliminary and other supporting documentation.*

(5) The provisions of this section shall in no way prohibit or limit the exchange of public records or the sharing of information between public agencies when the exchange is serving a legitimate governmental need or is necessary in the performance of a legitimate government function.

Section 23. KRS 64.640 is amended to read as follows:

(1) Except as otherwise provided in subsection (2) of this section, and excepting officers elected by popular vote, employes of the general assembly, including employes of the legislative research commission, members of boards and commissions, those officers and employes of Kentucky Educational Television exempt from classified service as provided in KRS 18A.115, presidents and employes of the state universities and the state colleges, and persons employed by the commissioner of parks on a temporary basis under KRS 148.026, the department of personnel shall prepare a schedule of compensation, payable out of the state treasury, with a minimum and maximum salary rate, and such intermediate salary rates as are deemed necessary or advisable, for the office or position of employment of every state officer and employe, including specifically the offices and positions of employment in every constitutional administrative department, statutory administrative department, independent agency, or other unit of state government. Such schedules shall be based upon studies of the duties and responsibilities of the offices and positions and upon a comparison with rates being paid for similar or comparable services elsewhere, and in the preparation of such schedules, the department of personnel shall ascertain and record the duties, responsibilities and authority pertaining to the various offices and positions in the state service, and classify such positions in the manner provided in KRS 18A.030, 18A.035, 18A.110, *Section 4 of this Act* [~~18A.130, 18A.135,~~] and 18A.150 to 18A.160. No such schedule shall become effective until it has been approved by the governor.

(2) The governor shall set the compensation payable out of the state treasury to each officer or position in the state service, which officer or position heads a statutory administrative department, independent agency, or other unit of state government except for those excluded under subsection (1) of this section. Such compensation shall be based upon studies of the duties and responsibilities and classification of the positions by the governor and upon a comparison with compensation being paid for similar or comparable services elsewhere, provided, however, such compensation shall not exceed the amount provided for compensation to the governor in KRS 64.480, the provisions of KRS 64.660 to the contrary notwithstanding.

(3) The compensation payable out of the state treasury to officers and employes subordinate to any office or position covered by subsection (2) of this section shall not exceed the maximum rate established pursuant to subsection (2) of this section for such office or position, except with respect to physicians as provided in KRS 64.655 and employes of the public service commission of Kentucky whose compensation shall be fixed, within constitutional limits, by the department of personnel with the approval of the governor as provided in subsection (1) of this section.

(4) Nothing in this section shall preclude the allowance of maintenance to officers and employes of the state.

HB 974, AN ACT relating to service credit in the Kentucky employes retirement system.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 61.510 is amended to read as follows:

As used in KRS 61.515 to 61.705, unless the context otherwise requires:

(1) "System" means the Kentucky employes retirement system created by KRS 61.515 to 61.705;

(2) "Board" means the board of trustees of the system as provided in KRS 61.645;

(3) "Department" means any state department or board or agency participating in the system in accordance with appropriate executive order, as provided in KRS 61.520. For purposes of KRS 61.515 to 61.705, the members, officers and employes of the general assembly and any other body, entity or instrumentality designated by executive order by the governor, shall be deemed to be a department notwithstanding whether said body, entity or instrumentality is an integral part of state government;

(4) "Examiner" means the medical examiners as provided in KRS 61.665;

(5) "Employe" means the members, officers and employes of the general assembly and every [~~regular full-time~~] appointed or elective officer or employe of a participating department, including the department of military affairs. The term shall not, however, include persons engaged as independent contractors *or any persons who work less than one hundred (100) hours in a month in the performance of duty*[~~, seasonal, emergency, temporary and part-time workers~~]. In case of any doubt, the board shall determine if a person is an employe within the meaning of KRS 61.515 to 61.705;

(6) "Employer" means a department or any authority of such department having the power to appoint or select an employe in such department, including the senate and the house of representatives, or any other entity, the employes of which are eligible for membership in the system pursuant to KRS 61.525;

(7) "State" means the Commonwealth of Kentucky;

(8) "Member" means any employe who is included in the membership of the system or any former employe whose membership has not been terminated under KRS 61.535;

(9) "Service" means the total of current service and prior service as defined herein;

(10) "Current service" means the number of years and months of employment as an employe, on and after July 1, 1956, (except that for members, officers and employes of the general assembly this date shall be January 1, 1960) for which creditable compensation is paid and employe contributions deducted except as otherwise provided in KRS 61.552(7) and KRS 61.555, and each member, officer and employe of the general assembly shall be credited with a month of current service for each month he occupies such position during a legislative biennium subsequent to January 1, 1960;

(11) "Prior service" means the number of years and completed months, expressed as a fraction of a year, of employment as an employe, prior to July 1, 1956, for which creditable compensation was paid; except that, for members, officers and employes of the general assembly this date shall be January 1, 1960. An employe shall be credited with one (1) month of prior service only in those months he received compensation for at least one hundred (100) hours of work; provided, however, that each member, officer and employe of the general assembly shall be credited with a month of prior service for each month he occupied such position during a legislative biennium prior to January 1, 1960;

(12) "Accumulated contributions" at any time means the sum of all amounts deducted from the compensation of a member and credited to his individual account in the members' contribution account, including employe contributions picked up after August 1, 1982 pursuant to KRS 61.560(4), together with interest credited on such amounts, and any other amounts the member shall have contributed thereto, including interest credited thereon;

(13) "Creditable compensation" means all salary, wages and fees paid to the employe as a result of services performed for the employer, including employe contributions picked up after August 1, 1982 pursuant to KRS 61.560(4), except that for members of the general assembly it shall mean an assumed salary of $27,500 per annum which shall include per diem and expense payments authorized by KRS Chapter 6. The creditable compensation of members, officers and employes of the general assembly shall be calculated as having been received in equal amounts for each month of the biennium. In cases where compensation includes

maintenance and other perquisites, the board shall fix the value of that part of the compensation not paid in money;

(14) "Final compensation" of a member means the creditable compensation of the member during the five (5) fiscal years he was paid at the highest average monthly rate divided by the number of months of service credit during that five (5) year period multiplied by twelve (12), except that for members of the general assembly who retire pursuant to KRS 61.600, or who die in office, "final compensation" shall be twenty-seven thousand five hundred dollars ($27,500). Said five (5) years may be fractional and need not be consecutive. In the event the number of months of service credit during such five (5) year period is less than forty-eight (48), one (1) or more additional fiscal years shall be used;

(15) "Final rate of pay" means the actual rate upon which earnings of an employe were calculated during the twelve (12) month period immediately preceding the member's effective retirement date, including employe contributions picked up after August 1, 1982 pursuant to KRS 61.560(4), except for members of the general assembly the "final rate of pay" shall be the creditable compensation. Such rate shall be certified to the board by the employer and the following equivalents shall be used to convert said rate to an annual rate; 1,950 hours, 260 days, 52 weeks, 12 months, one year;

(16) "Retirement allowance" means the retirement payments to which a member is entitled;

(17) "Actuarial equivalent" means a benefit of equal value when computed upon the basis of such actuarial tables as are from time to time adopted by the board except in cases of disability retirement the options authorized by KRS 61.635 shall be computed by adding ten (10) years to the age of the member, provided however, that no disability retirement option shall be less than the same option computed under early retirement;

(18) "Normal retirement date" means the sixty-fifth birthday of a member unless otherwise provided in KRS 61.515 to 61.705;

(19) "Fiscal year" of the system means the twelve (12) months from July 1, through the following June 30;

(20) "Officers and employes of the general assembly" means the occupants of those positions enumerated in KRS 6.150 and the assistants if employed by the general assembly for at least six (6) legislative bienniums;

(21) [~~"Regular full-time positions" as used in subsection (5) of this section shall mean all positions as set forth in KRS Chapter 18A as provisional full-time, probationary full-time and permanent full-time, all positions of local health departments meeting the definitions as set forth in KRS Chapter 18A of provisional full-time, probationary full-time and permanent full-time and all other positions except:~~

~~(a) Seasonal positions, which although temporary in duration, are positions which coincide in duration with a particular season or seasons of the year and which may recur regularly from year to year, the period of time shall not exceed nine (9) months in any event;~~

~~(b) Emergency positions which are positions which do not exceed thirty (30) working days and are nonrenewable;~~

~~(c) Temporary positions which are positions of employment with a participating department for a period of time not to exceed six (6) months in any event and not renewable;~~

~~(d) Part-time positions which are positions which may be permanent in duration, but which require less than an annual or fiscal year average of one hundred (100) hours of work per month in the performance of duty;~~

~~(22)~~]"Delayed contribution payment" means an amount paid by an employe for current service obtained under KRS 61.552. Such amount shall be determined using the same formula adopted by the board for purchase of service under KRS 61.552(8) except the employe shall pay a single payment of 50% of the total cost of such service with no cost to the employer, and such payment shall not be picked up by the employer. A delayed contribution payment shall be deposited to the member's contribution account and considered as accumulated contributions of the individual member. In determining payments under this subsection, the formula found in this subsection shall prevail over the one found in KRS 212.434;

(22)[~~(23)~~] "Parted employer" means a department, portion of a department, board or agency (such as Outwood Hospital and School) which previously participated in the system, but due to lease or other contractual arrangement is now operated by a publicly held corporation or other similar organization, and therefore is no longer participating in the system; and

(23)[~~(24)~~] "Retired member" means any former member receiving a retirement allowance or any former member who has filed the necessary documents for retirement benefits and is no longer contributing to the retirement system.

Section 2. KRS 61.543 is amended to read as follows:

(1) Employe contributions shall be deducted each payroll period from the creditable compensation of each employe of an agency participating in the retirement system [~~while he is classified as regular full-time as defined in KRS 61.510~~] unless such person did not elect to become a member as provided by subsection (2) of KRS 61.525. After August 1, 1982, employe contributions shall be picked up by the employer pursuant to KRS 61.560(4). Service credit will be allowed for each month such contributions are deducted or picked up

during a fiscal or calendar year, provided the member receives creditable compensation for [~~an average of~~] one hundred (100) hours or more of work *during the* [~~per~~] month. If the [~~average~~] number of hours of work is less than one hundred (100) *during the* [~~per~~] month, the member shall be allowed credit only for those months he receives creditable compensation for one hundred (100) hours of work.

(2) [~~Employe contributions shall not be deducted from the creditable compensation of an employe or picked up by the employer while he is seasonal, emergency, temporary or part-time. No service credit will be earned.~~

~~(3)~~] Contributions shall not be made or picked up by the employer and no service credit will be earned by a member while on leave except:

(a) A member on military leave shall be entitled to service credit in accordance with KRS 61.555; and

(b) A member on educational leave, approved by the department of personnel, who is receiving 75% or more of full salary, shall receive service credit and shall pay employe contributions, or such contributions shall be picked up in accordance with KRS 61.560 and his employer shall pay employer contributions in accordance with KRS 61.565. If a tuition agreement is broken by the member, the member and employer contributions paid or picked up during the period of educational leave shall be refunded.

(4) The retirement office, upon detection, shall refund erroneous employer and employe contributions made to the retirement system.

Section 3. KRS 61.552 is amended to read as follows:

(1) Any employe of a department participating in the Kentucky employes retirement system, or any employe of an agency participating in the county employes' retirement system, or any member of the state police retirement system, or any active contributing member of the teachers' retirement system or a contributing member of the judicial retirement plan or legislators retirement plan or an employe of a parted employer whose employment has previously been terminated and who has been refunded his accumulated contributions, thereby losing service credit, may regain such credit by paying to the system from which he received the refund or refunds the amount or amounts refunded with interest at a rate determined by the board of the respective retirement system provided, however, the provisions of KRS 161.470 must be met in order to regain such credit in the teachers' retirement system and provided further that KRS 21.460 shall govern with respect to regaining credit in the judicial retirement plan or legislators retirement plan. Such payment including interest as determined by the board shall be deposited to the member's contribution account and considered as accumulated contributions of the individual member. Such payments shall not be picked up, as described in KRS 61.560(4), by the employer.

(2) Any employe of a county participating in the county employes' retirement system or any former county employe who is an employe of a participating department in the Kentucky employes' retirement system or a contributing member of the state police retirement system, teachers' retirement system, judicial retirement plan or legislators retirement plan who did not elect membership in the county employes' retirement system as provided in subsection (2) of KRS 78.540 may obtain credit in the county employes' retirement system for prior service and for current service by paying to the county employes' retirement system a delayed contribution payment for the service he would have received had he elected membership. The delayed contribution payment shall not be picked up, as described in KRS 61.560(4), by the employer.

(3) Any employe of a participating department or any former state employe who is an employe of a county participating in the county employes' retirement system or a contributing member of the state police retirement system, teachers' retirement system, judicial retirement plan or legislators retirement plan who did not elect membership in the Kentucky employes retirement system as provided in subsection (2) of KRS 61.525 may obtain credit in the Kentucky employes' retirement system for prior service and for current service by paying to the system a delayed contribution payment for the service he would have received had he elected membership. The delayed contribution payment shall not be picked up, as described in KRS 61.560(4), by the employer.

(4) An employe of a participating department which did not participate in the system effective July 1, 1956, or any former state employe who is an employe of a county participating in the county employes' retirement system or a contributing member of the state police retirement system, teachers' retirement system, judicial retirement plan or legislators retirement plan may obtain credit in the Kentucky employes' retirement system for current service between July 1, 1956, and the effective date of participation of his department by paying to the system a delayed contribution payment for the service he would have received had his department participated on July 1, 1956. The delayed contribution payment shall not be picked up, as described in KRS 61.560(4), by the employer.

(5) An employe of a county participating in the county employes' retirement system which did not participate in the system effective July 1, 1958, or any former county employe who is an employe of a department participating in the Kentucky employes' retirement system or a contributing member of the state police retirement system, teachers' retirement system, judicial retirement plan or legislators retirement plan may obtain credit in the county employes' retirement system for current service between July 1, 1958, and the effective date of participation of his county by paying to the county employes' retirement system a delayed contribution payment for the services he would have received had his county participated on July 1, 1958. The

delayed contribution payment shall not be picked up, as described in KRS 61.560(4), by the employer.

(6) Effective January 1, 1975, service credit obtained under subsections (1) to (5) of this section shall be disallowed and the recontribution of refund including interest as determined by the board and the delayed contribution payment, if any, shall be paid to the member, upon request, or in the event of his death to his properly designated beneficiary if the member does not obtain for service performed six (6) months current service credit in either the Kentucky employes' retirement system, county employes' retirement system, state police retirement system, teachers' retirement system, judicial retirement plan or legislators retirement plan, or as an employe of a parted employer.

(7) Any employe of a county participating in the county employes' retirement system, or any employe of a department participating in the Kentucky employes' retirement system, who has obtained for service performed six (6) months current service credit in either retirement system, who formerly worked for a state university in a position which would have qualified as a regular full-time position had the university been a participating department, and who did not have the option to be covered at the university by an advance funded retirement program in which he could vest during his period of employment, or did not participate in a retirement system which can be consolidated with other accounts pursuant to KRS 61.680(2), may obtain credit in the county employes' retirement system or the Kentucky employes' retirement system for prior and current service by paying either retirement system a delayed contribution payment for the service he would have received had his period of university employment been covered by the county employes' or Kentucky employes' retirement system. The delayed contribution payment shall not be picked up, as described in KRS 61.540(4), by the employer.

(8) (a) Effective August 1, 1980, any county participating in the county employes' retirement system may purchase current service, between July 1, 1958 and participation date of the county, for present employes of the county who have obtained coverage under KRS 78.540(2).

(b) Effective July 1, 1973, any department participating in the Kentucky employes' retirement system may purchase current service between July 1, 1956 and participation date of the department, for present employes of the department who were employes on the participation date of the department and elected coverage under KRS 61.525(2).

(c) Cost of the service credit purchased under this subsection shall be determined by computing the discounted value of the additional service credit based on an actuarial formula recommended by the board's consulting actuary and approved by the board. A department shall make payment for such service credit within the same fiscal year in which the option is elected. The county shall establish a payment schedule subject to approval by the board for payment of such service credit. The maximum period allowed in a payment schedule shall be ten (10) years with interest at the rate actuarially assumed by the board; however, a shorter period is desirable and the board may approve any schedule provided it is not longer than a ten (10) year period.

(d) If a county or department elects the provisions of this subsection any present employe who would be eligible to receive service credit under the provisions of this subsection and has purchased service credit under subsections (4) or (5) of this section shall have his payment for such service credit refunded with interest at the rate paid under KRS 61.575 or KRS 78.640.

(e) Any payments made by a county or department under this subsection shall be deposited to the retirement allowance account of the proper retirement system and these funds shall not be considered accumulated contributions of the individual members.

(9) Any employe of a department participating in the Kentucky employes retirement system who has obtained for service performed six (6) months current service credit, who has current service of a temporary, emergency, seasonal, part-time or other nature which in each month to be credited included at least one hundred (100) hours of work, which can be verified by the retirement system but which was not, prior to July 14, 1984, creditable under KRS 61.510(10), may purchase such current service credit by making a lump sum payment to the retirement system of the discounted value of the service credit based upon an actuarial formula recommended by the board's consulting actuary and approved by the board. The employe shall be responsible for securing information required for verification of service credit. This payment must be made by January 15, 1985, and shall not be picked up, as described in KRS 61.560(4), by the employer.

(10) Interest paid by a member of the Kentucky employes' retirement system, county employes' retirement system, or state police retirement system under this section or other similar statutes under KRS 16.505 to 16.652 or 61.510 to 61.705 or 78.510 to 78.852 prior to June 19, 1976 shall be credited to the individual member's contribution account in the appropriate retirement system and considered as accumulated contributions of the member.

SB 156, AN ACT relating to reorganization.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 12.023 is amended to read as follows:

The following organizational units and administrative bodies shall be attached to the office of the governor:

(1) Council on higher education (The state universities and colleges shall report through the council on higher education).

(2) Department of military affairs.

(3) Department of revenue.

(4) Department of local government.

(5) Kentucky council on agriculture.

Section 2. KRS 247.413 is amended to read as follows:

There is hereby established the Kentucky council on agriculture which shall be attached to the *office of the governor* [~~energy and agriculture cabinet~~] for administrative purposes. The object of the council shall be the development and promotion of a broadly conceived statewide agricultural and agri-business program, including the distribution and promotion of agricultural products, which will stimulate the acceleration of the state's agricultural economy by endeavoring to improve all phases thereof.

Section 3. KRS 247.417 is amended to read as follows:

(1) The membership of the council shall consist of *the governor,* the lieutenant governor, the commissioner of agriculture, the secretary of the commerce cabinet, [~~the secretary of the energy and agriculture cabinet,~~] and eighteen (18) citizen members, a majority of whom shall be full-time farmers, appointed by the governor. Two (2) members shall be appointed from each congressional district and four (4) from the state-at-large. All members shall serve at the governor's will during his incumbency, and until each member's successor is appointed.

(2) The *governor* [~~secretary of the energy and agriculture cabinet~~] shall serve as chairman of the council. The council may elect by majority vote a vice-chairman and such officers of the council as may be deemed necessary.

(3) Citizen members of the council shall receive a compensation of fifty dollars ($50) per day for each day of attendance at meetings of the council, and shall be reimbursed by the secretary's office for necessary and actual expenses in accordance with the provisions of KRS chapters 44 and 45.

(4) The council shall meet at the call of the chairman, but not less often than four (4) times during each calendar year. A majority of the members appointed to the council shall constitute a quorum.

The Committee Amendment to **SB 156** is as follows:

Amend printed copy of **SB 156** on page 1, by deleting lines 1 through 21 in their entirety and inserting in lieu thereof the following:

Section 1. KRS 246.030 is amended to read as follows:

The department shall consist of:

(1) The commissioner;

(2) The board of agriculture;

(3) The division of markets;

(4) The division of weights and measures;

(5) The board of veterinary examiners;

(6) The division of pest and noxious weed control;

(7) The division of statistics;

(8) The division of pesticides; and

(9) The exposition management division*; and*

(10) The Kentucky council on agriculture.

Section 2. KRS 247.413 is amended to read as follows:

There is hereby established the Kentucky council on agriculture which shall be *located within the department of agriculture* [~~attached to the energy and agriculture cabinet for administrative purposes~~]. The object of the council shall be the development and promotion of a broadly conceived statewide agricultural and agri-business program, including the distribution and promotion of agricultural products, which will stimulate the acceleration of the state's agricultural economy by endeavoring to improve all phases thereof.

Section 3. Notwithstanding 1984 **SB 166** and 1984 **HB 474**, the funding for the Council on Agriculture shall not exceed $200,000 per year for the 1985 and 1986 fiscal years.

And on page 2, by deleting lines 1 through 26; and

On page 3, by deleting lines 1 through 5.

Calendar

HB 714, HB 759, HB 819, HB 880, HB 995, HCR 89, HCR 120, HB 677, HB 960, HB 987, HCR 125, HJR 92, SB 132, HB 903, HB 984, and **HB 786** taken from the Calendar and ordered read at length for the second time. Representative LeMaster moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Orders of the Day

HB 651, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Dunn moved the adoption of the Committee Amendment No. 1 to **HB 651.** Agreed.

Representative Dunn moved that **HB 651,** as amended, be passed.

On the roll call the vote was yeas 21-Barrows, Bennett, Clapp, P. Clark, Deskins, Donnermeyer, Dunn, Hancock, Heleringer, Lile, Little, O'Brien, Perkins, Priddy, B. Richardson, P. Richardson, Seum, Stumbo, Van Horn, Williams, Yates. Nays 63-Allen, Arnold, Bendl, Blevins, Brinkley, Brown, Burch, Burnette, Caldwell, L. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Harper, Head, Holbrook, R. Jones, T. Jones, Kenton, Layman, List, Long, Maggard, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, Overstreet, Patrick, Pearman, Rapier, Rattliff, Reinhardt, Richards, Riner, Robinson, B. Smith, F. Smith, Stone, Thomas, Thomason, Todd, Turner, Worthington.

HB 651, as amended, was defeated.

HB 869 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be ready by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Farrow moved that **HB 869** be passed.

On the roll call the vote was yeas 68-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Donnermeyer, Dunn, Endicott, Farrow, Foster, Freibert, Guenthner, Hancock, Harper, Head, Heleringer, Hines, R. Jones, Kenton, Kidd, LeMaster, Lile, List, Long, Maggard, Mann, McBee, McElroy, Meyer, Moberly, Morris, Nett, Noe, O'Brien, Perkins, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Thomas, Thomason, Van Horn, White, Williams, Worthington, Yates. Nays 17-Allen, Barrows, Brown, Clapp, Dawahare, Ellington, Ford, Gedling, Gray, Holloway, Layman, Moore, Noland, Pearman, Priddy, Robinson, Turner.

HB 869 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 869** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 492, with Committee Substitute, Committee Amendment, and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Burnette moved the adoption of the Committee Substitute to **HB 492.** Agreed.

Representative Kenton moved that **HB 492,** by way of Committee Substitute, be passed.

Representative Clarke moved the adoption of the Committee Amendment No. 1 to the Committee Substitute to **HB 492.** Agreed.

Representative Overstreet moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **HB 492**. Agreed.

Representative Burnette moved that **HB 492,** by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 79-Bendl, Blandford, Blevins, Brinkley, Bronger, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Foster, Freibert, Fryman, Gedling, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, R. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lungergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Morris, Noe, Noland, O'Brien, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Yates. Nays 11-Allen, Barrows, Bennett, Crupper, Farrow, Gray, Guenthner, Nett, Robinson, Seum, Worthington.

HB 492, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 492,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 16, SB 133, HB 72, HB 175, HB 372, HB 530,** and **HB 562** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 4:06 p.m.)

HB 72, HB 175, HB 372, HB 530, and **HB 562** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Orders of the Day (continued)

HB 1006, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Hancock moved the adoption of the Floor Amendment No. 1 to **HB 1006**. Agreed.

Representative Hancock moved that **HB 1006,** as amended, be passed.

On the roll call the vote was yeas 84-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Ford, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kidd, Layman, LeMaster, Lile, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, F. Smith, Sone, Stumbo, Thomas, Todd, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 1006, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 1006,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 134 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Donnermeyer moved that **HB 134** be passed.

On the roll call the vote was yeas 87-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Guenthner, Hancock, Handy, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, White, Williams, Worthington, Yates. Nays 2-Gray, Turner.

HB 134 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 134** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 382 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Worthington moved that **HB 382** be passed.

On the roll call the vote was yeas 82-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Clapp, L. Clark, P. Clark, Cline, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, Long, Lundergan, Maggard, Mann, McBee, McElroy, Meyer, Moberly, Nett, Noland, O'Brien, Pearman, Perkins, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomason, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 382 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 382** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 464, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative McNutt moved that **HB 464** be passed.

Representative O'Brien moved the adoption of the Committee Amendment No. 1 to **HB 464.**

On the roll call the vote was 47-Bennett, Blevins, Bronger, Caldwell, L. Clark, Clarke, Cline, Cowan, Cyrus, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Ford, Freibert, Fryman, Gray, Heleringer, Holloway, Kenton, Layman, Lile, List, Little, Maggard, Meyer, Noland, O'Brien, Overstreet, Patrick, Pearman, Priddy, Rattliff, Reinhardt, Richards, Riner, Robinson, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Yates. Nays 33-Blandford, Brinkley, Bruce, Burch, Burnette, P. Clark, Craddock, Curd, Dawahare, Gedling, Guenthner, Hancock, Handy, Harper, Hines, Holbrook, Johnson, Kidd, Long, Lundgergan, McBee, McElroy, McNutt, Morris, Nett, Noe, Perkins, Rapier, B. Richardson, P. Richardson, B. Smith, F. Smith, Stone.

Committee Amendment No. 1 to **HB 464** was adopted.

Representative McNutt moved that **HB 464,** as amended, be passed.

On the roll call the vote was yeas 75-Arnold, Blandford, Blevins, Brinkley, Brown, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holloway, Johnson, Kenton, Lefevers, LeMaster, Lile, Little, Long Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Seum, B. Smith, Stone, Thomas, Thomason, Todd, Turner, White, Yates. Nays

7-Barrows, Bennett, Heleringer, Layman, F. Smith, Van Horn, Williams.

HB 464, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 464,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 525, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Donnermeyer moved the adoption of the Committee Amendment No. 1 to **HB 525.** Agreed.

Representative Donnermeyer moved that **HB 525,** as amended, be passed.

On the roll call the vote was yeas 94-Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Yates. Nays 0.

HB 525, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 525,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 768 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage.Agreed by a majority of members elected.

Representative F. Smith moved that **HB 768** be passed.

On the roll call the vote was yeas 28-Brinkley, Brown, Bruce, Burch, L. Clark, P. Clark, Cowan, Craddock, Dawahare, Donnermeyer, Dunn, Foster, Hancock, Harper, Head, Holloway, Johnson, Kenton,Layman, List, Lundergan, McBee, O'Brien, Reinhardt, B. Smith, F. Smith, Stone, Worthington. Nays 46-Barrows, Bennett, Blandford, Blevins, Bronger, Burnette, Caldwell, Clarke, Cline, Crupper, Curd, Cyrus, Endicott, Farrow, Ford, Freibert, Fryman, Gedling, Gray, Guenthner, Heleringer, R. Jones, Kidd, Lefevers, LeMaster, Lile, Little, Long, McNutt, Meyer, Moberly, Moore, Noe, Patrick, Pearman, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Seum, Stumbo, Thomason, Van Horn.

HB 768 was defeated.

Representative F. Smith moved that the vote by which **HB 768** was defeated be reconsidered.

The Chair ruled said motion was out of order since Representative F. Smith did not vote on the prevailing side.

HB 842, with Committee Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Hancock moved the adoption of the Committee Amendment No. 1 to **HB 842.** Agreed.

Representative Hancock moved the adoption of the Committee Amendment No. 2 to **HB 842.** Agreed.

Representative Hancock moved that **HB 842,** as amended, be passed.

On the roll call the vote was yeas 91-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Heleringer, Hines, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

HB 842, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 842,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Representative Cyrus moved that the vote by which **HB 768** was defeated be reconsidered and that it be placed in Orders of the Day. Agreed.

HB 768 taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed by a majority of members elected.

Representative F. Smith moved that **HB 768** be passed.

On the roll call the vote was yeas 91-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, Meyer, Moberly, Moore, Morris, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 1-McNutt.

HB 768 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 768** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 926 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved that **HB 926** be passed.

On the roll call the vote was yeas 86-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 1-Guenthner.

HB 926 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 926** was passed be reconsidered and said motion be placed on the table. Agreed.

HJR 74 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members

elected.

Representative Brown moved that **HJR 74** be read at length. Agreed.

Representative Brown moved that **HJR 74** be adopted.

On the roll call the vote was yeas 90-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt,Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HJR 74 was adopted and the title agreed to.

Representative LeMaster moved that the vote by which **HJR 74** was passed be reconsidered and said motion be placed on the table. Agreed.

HR 114 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Moberly moved that **HR 114** be adopted.

On the roll call the vote was yeas 59-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Brown, Bruce, Burch, L. Clark, P. Clark, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Freibert, Gedling, Gray, Hancock, Handy, Head, Hines, Johnson, T. Jones, Kenton, Lile, Little, Long, Lundergan, Mann, McBee, Meyer, Moberly, Nett, Noe, O'Brien, Perkins, Priddy, Rapier, B. Richardson, P. Richardson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Worthington, Yates. Nays 27-Allen, Bronger, Burnette, Caldwell, Clapp, Ellington, Endicott, Ford, Foster, Fryman, Guenthner, Heleringer, Holloway, R. Jones, Layman, Lefevers, McElroy, McNutt, Moore, Noland, Overstreet, Patrick, Pearman, Reinhardt, Robinson, Todd, Turner.

HR 114 was adopted and the title agreed to.

SB 194 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Bendl moved that **SB 194** be passed.

On the roll call the vote was yeas 77-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Freibert, Gedling, Gray, Guenthner, Handy, Harper, Head, Heleringer, Hines, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, LeMaster, Lile, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, B. Richardson, Riner, Seum, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Worthington, Yates. Nays 16-Allen, Ellington, Endicott, Farrow, Ford, Foster, Fryman, Hancock, Layman, Lefevers, Overstreet, P. Richardson, Robinson, B. Smith, Todd, Turner.

SB 194 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 194** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 210, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Deskins moved the adoption of the Floor Amendment No. 1 to **SB 210**. Agreed.

Representative Holloway moved that **SB 210**, as amended, be passed.

On the roll call the vote was yeas 91-Allen, Arnold, Barrows, Bennett, Blandford, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Harper, Head, Heleringer, Hines, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington. Nays 0.

SB 210, as amended, was passed.

Representative Holloway moved the adoption of the Floor Title Amendment to **SB 210**. Agreed.

Representative LeMaster moved that the vote by which **SB 210**, was amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 215, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Van Horn moved that **SB 215** be passed.

On the roll call the vote was yeas 41-Arnold, Bendl, Bennett, Blandford, Brinkley, Brown, Bruce, Burch, Burnette, Clapp, L. Clark, P. Clark, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Gedling, Gray, Handy, Harper, Head, Johnson, Kenton, Little, McBee, McElroy, McNutt, Meyer, Moberly, Morris, O'Brien, Perkins, P. Richardson, Riner, B. Smith, Stumbo, Thomason, Van Horn, Williams, Worthington. Nays 44-Allen, Blevins, Caldwell, Clarke, Cline, Craddock, Crupper, Deskins, Ellington, Endicott, Farrow, Ford, Freibert, Fryman, Guenthner, Heleringer, Holloway, R. Jones, Layman, Lefevers, Lile, List, Long, Lundergan, Maggard, Mann, Moore, Nett, Noe, Noland, Overstreet, Patrick, Pearman, Rapier, Rattliff, Reinhardt, Richrds, B. Richardson, Robinson, Stone, Thomas, Todd, Turner, White.

SB 215 was defeated.

SB 176, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Yates moved the adoption of the Committee Amendment No. 1 to **SB 176**. Agreed.

Representative Yates moved that **SB 176**, as amended, be passed.

On the roll call the vote was yeas 81-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Fryman, Gedling, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Holloway, Johnson, Kenton, Layman, Lefevers, Lile, List, Little, Long, Lundergan, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, O'Brien, Overstreet, Patrick, Pearman, Perkins, Priddy, Rapier, Reinhardt, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

SB 176, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 176**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 243, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative McElroy moved the adoption of the Committee Amendment No. 1 to **SB 243**. Agreed.

Representative McElroy moved that **SB 243**, as amended, be passed.

On the roll call the vote was yeas 64-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burnette, L. Clark, P. Clark,Cline, Crupper, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holloway, Johnson, T. Jones, Kidd, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Morris, Nett, O'Brien, Perkins, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, White, Williams, Worthington, Yates. Nays 23-Allen, Caldwell, Clapp, Cowan, Curd, Cyrus, Ellington, Endicott, Ford, Freibert, Layman, Lefevers, Lile, Meyer, Moberly, Moore, Noe, Noland, Overstreet, Pearman, Rattliff, Reinhardt, Turner.

SB 243, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 243**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 256 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved that **SB 256** be passed.

On the roll call the vote was yeas 89-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, Little, Long, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Williams, Worthington, Yates. Nays 0.

SB 256 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 256** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 273, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Arnold moved the adoption of the Floor Amendment No. 1 to **SB 273**. Agreed.

Representative Arnold moved the adoption of the Committee Amendment No. 1 to **SB 273**. Agreed.

Representative Arnold moved that **SB 273**, as amended, be passed.

On the roll call the vote was yeas 50-Arnold, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Curd, Cyrus, Dawahare, Dunn, Ellington, Endicott, Gedling, Gray, Handy, Head, Hines, Holloway, Johnson, T. Jones, Kidd, Maggard, McElroy, McNutt, Meyer, Moberly, Morris, Nett, O'Brien, Priddy, Rapier, Richards, B. Richardson, P. Richardson, B. Smith, Stone, Stumbo, Thomason, Van Horn, Worthington, Yates. Nays 36-Allen, Barrow, Bennett, Caldwell, Clarke, Crupper, Deskins, Donnermeyer, Farrow, Ford, Foster, Freibert, Fryman, Hancock, Harper, Heleringer, Layman, Lefevers, LeMaster, Lile, Little, Long, Mann, McBee, Moore, Noland, Overstreet, Patrick, Pearman, Perkins, Rattliff, Reinhardt, Robinson, Thomas, Todd, Turner.

SB 273, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 273**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Speaker Pro Tempore Blandford presiding.

Motions, Petitions, and Communications

Representative Little moved that **HB 939** be placed in Orders of the Day for tomorrow, March 20, 1984. Agreed.

Representative LeMaster moved that the posting requirement on **HB 474** be waived. Agreed.

Representative LeMaster moved that the posting requirement on **HB 406** be waived. Agreed.

Representative LeMaster moved that the posting requirement on **HB 475** be waived. Agreed.

Representative LeMaster moved that the posting requirement on **HB 948** be waived. Agreed.

Representative Ellington moved that the vote by which **HB 429**, as amended, was defeated be reconsidered and that it be placed in Orders of the Day.

On the roll call the vote was yeas 36-Bendl, Blevins, Bruce, Burch, Caldwell, P. Clark, Cowan, Craddock, Cyrus, Deskins, Ellington, Foster, Fryman, Gray, Handy, Head, Hines, Johnson, Kenton, Kidd, LeMaster, List, Long, McElroy, McNutt, Meyer, Moberly, Morris, Noe, Overstreet, Priddy, Riner, Stone, Thomason, Turner, Williams. Nays 27-Bronger, Burnette, L. Clark, Cline, Dunn, Endicott, Farrow, Ford, Freibert, Gedling, Guenthner, Hancock, T. Jones, Layman, Lefevers, Lundergan, Maggard, McBee, Patrick, Pearman, Rattliff, Reinhardt, Robinson, F. Smith, Stumbo, Todd, Van Horn.

The motion that the vote by which **HB 429** was defeated be reconsidered and that it be placed in Orders of the Day was adopted.

Recess

Representative LeMaster moved that the House recess for ten minutes for a meeting of the Committee on Rules. Agreed.

At the appointed hour, Speaker Pro Tempore Blandford resumed the Chair and called the House to order.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 141** had been examined and found correctly enrolled. Said Bill read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 5:32 p.m.)

Senate Message

Announcing passage of **SB 332, SB 379, SJR 60, HB 488, HB 542,** and **HB 543.**

Motions, Petitions, and Communications (continued)

Representative Farrow moved that he be recorded as voting "yea" on **HB 492.** Agreed.

The following meetings were announced:

Committee on Labor and Industry: Tuesday, 8:00 a.m.

Committee on Education: On adjournment, tomorrow, Room 110.

Representative Barrows moved that he be recorded as voting "nay" on **HB 651**. Agreed.

Representative Burch moved that Floor Amendment No. 1 to **HB 696** be withdrawn. Agreed.

Representative L. Clark moved that he be recorded as voting "yea" on **HB 194**. Agreed.

Representative Cline moved that the rules be suspended to allow all properly filed co-sponsor requests to be approved. Agreed.

The following members filed requests to have their names added as co-sponsor of Bills: Representative Caldwell, **HB 1005**; Representative Lefevers, **HB 628**; Representative Lile, **HB 1005**; Representative Meyer, **HB 57, HB 158, HB 214, HB 215, HB 329, HB 588, HB 600.**

Representative LeMaster moved that the rules be suspended for Report of Committees. Agreed.

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bills and Resolutions have been posted for Committee consideration:

Appropriations and Revenue: **HB 726.**

Education: **SB 135.**

State Government: **SB 71, HR 104, HCR 108, HCR 105, HB 963.**

Judiciary-Criminal: **SB 77.**

Cities: **HCR 122, SB 339, SCR 45.**

Business Organizations and Professions: **SB 251, SB 252, SB 331, SB 340, HB 894.**

Natural Resources and Environment: **SB 338, SB 341, SB 369, SCR 56.**

Banking and Insurance: **SB 416, SB 221, SB 334, SB 336, SB 348.**

The Clerk announced **HB 865** has been withdrawn from consideration by the Committee on Cities.

Report of Committees

The Committee on Appropriations and Revenue reported **HB 406, HB 474, HB 475,** and **HB 948** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 406, AN ACT making appropriations for the operations, maintenance, support and functioning of the judicial branch of the government of the Commonwealth of Kentucky and its various officers, boards, commissions, subdivisions, and other state supported activities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART I
GENERAL FUND

There is appropriated out of the general fund for the fiscal year beginning July 1, 1984 and ending June 30, 1985, and for the fiscal year beginning July 1, 1985 and ending June 30, 1986, the following sums to be used for the purposes of the judicial branch of the government of the Commonwealth of Kentucky including the Supreme Court, Court of Appeals, circuit court, district court, the administrative office of the courts, pretrial services, judicial boards and commissions, the state law library, judicial retirement, and for services performed by the circuit clerks' offices, including both circuit and district support:

1. Court of Justice	1984-85	1985-86
a. To the Court of Justice, for court operation and administration	$52,715,000	$56,278,600
b. To the Court of Justice, for the local facility fund	7,667,600	8,256,900
Total Court of Justice	$60,382,600	$64,535,500
2. Judicial form retirement System		
a. To the board of trustees of the judicial form retirement system, for funding and operation of the judicial retirement plan	2,286,900	2,299,600
Total - judicial branch	$62,669,500	$66,835,100

PART II

TRUST AND AGENCY FUNDS

There is hereby appropriated to the Court of Justice for the fiscal year beginning July 1, 1984 and ending June 30, 1985, and for fiscal year July 1, 1985 and ending June 30, 1986, all receipts of the Court of Justice not otherwise disposed by law, and any unexpended balance remaining in the Court of Justice's existing trust and agency accounts at the close of the fiscal years ending June 30, 1985 and June 30, 1986.

In the event the Court of Justice receives receipts in excess of the amounts appropriated herein, the director of the administrative office of the courts at the direction of the chief justice may authorize the credit and expenditure of such trust and revolving or agency funds receipts for statutory purposes. The director of the administrative office of the courts shall notify on a timely basis the legislative research commission of the most current estimates of anticipated receipts for the affected fiscal year and an accompanying statement which explains such variations from the anticipated amount.

	1984-85	1985-86
Court of Justice	$1,000	$1,000

PART III

FEDERAL FUNDS

There is appropriated to the Court of Justice for the fiscal year beginning July 1, 1984 and ending June 30, 1985, and for the fiscal year beginning July 1, 1985 and ending June 30, 1986, federal subvention, grants, contracts and other federal funds received, income from investment and other miscellaneous federal receipts received by the Court of Justice except as otherwise specifically provided, for the use and benefit of the Court of Justice for the purposes for which its fund is authorized, and any unexpended balance remaining in the Court of Justice's existing federal accounts at the close of fiscal years ending June 30, 1985 and June 30, 1986. All funds received shall be deposited in the state treasury and credited to the proper federal fund account as provided by law.

In the event the Court of Justice receives monies in excess of the amounts appropriated herein, the director of the administrative office of the courts at the direction of the chief justice may authorize the credit and expenditure of such federal funds for statutory purposes. The director of the administrative office of the courts shall notify on a timely basis the legislative research commission of the most current estimates of anticipated receipts for the affected fiscal year with an accompanying statement which explains such variations from the anticipated amount.

	1984-85	1985-86
Court of Justice	$13,500	$100

PART IV

BUDGET REDUCTION PLAN

In accord with KRS 48.130, if the projected or actual general fund revenues are certified to be at least two and one-half percent (2 1/2%) but not more than five percent (5%) less than the revenue estimates, the general fund allotment shall be reduced as follows:

1. Court of Justice	1984-85	1985-86
a. Court of Justice, court operation and administration	$1,582,900	$1,692,100
b. Court of Justice,		

local facility fund	$ 0	$ 0
2. Judicial form retirement system	$ 0	$ 0
Total - judicial branch	$1,582,900	$1,692,100

PART V
SURPLUS EXPENDITURE PLAN

In accord with KRS 48.140, if the projected or actual general fund revenues are certified to be at least two and one-half percent (2 1/2%) but not more than five percent (5%) greater than the revenue estimates, the general fund allotment shall be increased as follows:

1. Court of Justice	1984-85	1985-86
a. Court of Justice, court operation and administration	$1,582,900	$1,692,100
Included in this appropriation is $159,400 in fiscal year 1984-85 and $160,600 in fiscal year 1985-86 for a capital equipment purchase of an electronic distributor data processing system.		
b. Court of Justice, local facility fund	$ 0	$ 0
2. Judicial form retirement system	$ 0	$ 0
Total - judicial branch	$1,582,900	$1,692,100

PART VI
GENERAL PROVISIONS

1. The director of the administrative office of the courts with the approval of the chief justice may expend any of the funds appropriated for court operation and administration in any lawful manner and for any legal purpose which the chief justice shall authorize or direct. No executive agency of state government shall have the power to restrict or limit the expenditure of funds appropriated to the judicial branch of government.
2. In enacting this appropriations act, it is the deliberate intention of the general assembly to enact each section, and each subsection thereof as a separate and specific appropriation and law, and if any section, any subsection, or any provisions thereof shall be invalid or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions contained herein.
3. The Court of Justice shall not incur any obligation for any program against the general fund appropriation contained herein unless such program may be reasonably determined to have been contemplated by the proposed judicial budget, as modified and enacted, and supported by appropriate work papers and other records pertaining thereto.
4. The chief justice shall cause the director of the administrative office of the courts to prepare a final budget document reflecting the 1984-86 biennial budget of the Court of Justice. A copy shall be provided to the legislative research commission and an informational copy shall be furnished to the department of finance within forty-five (45) days of the adjournment of the 1984 session of the general assembly.

HB 474, AN ACT relating to appropriations for the operation, maintenance, support, and functioning of the government of the Commonwealth of Kentucky and its various officers, cabinets, departments, boards, commissions, institutions, subdivisions, agencies, and other state supported activities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART I
GENERAL FUND

There is appropriated out of the General Fund for the fiscal year ending June 30, 1984, and, including any unappropriated surplus to the General Fund as of June 30, 1984, for the fiscal year beginning July 1, 1984, and ending June 30, 1985, and, including any unappropriated surplus to the General Fund as of June 30, 1985, for the fiscal year beginning July 1, 1985, and ending June 30, 1986, the following sums, or so much thereof as maybe necessary, for the following officers, cabinets, departments, boards, commissions, institutions, subdivisions, and agencies of the State Government, and any and all other activities of the government of the Commonwealth of Kentucky subject to the provisions of Chapters 21, 42, 45, and 48 of the Kentucky Revised Statutes, for which a specific appropriation is in Part I listed as follows:

A. GOVERNMENT OPERATIONS

1. EXECUTIVE OFFICE OF THE GOVERNOR

a. Governor

1984-85	$ 2,202,900
1985-86	$ 2,331,000

Included in the above appropriation in each year of the biennium is $18,000 for the Governor's expense allowance to meet additional expenses associated with the position of Governor of Kentucky as specified in KRS 64.710.

b. Secretary of the Cabinet

1984-85	$ 364,300
1985-86	$ 383,700

c. Governor's Office for Police and Management

1984-85	$ 1,357,800
1985-86	$ 1,443,000

d. Governor's Office for Program Administration

1984-85	$ 296,000
1985-86	$ 310,800

e. State Planning Fund

1984-85	$ 770,000
1985-86	$ 770,000

Any portion of the above appropriation for the State Planning Fund may be transferred to other major program areas or agencies of State Government for the purpose of funding planning activities approved by the State Planning Committee. Any unexpended balance remaining at the close of the 1984-85 fiscal year shall lapse to the credit of the General Fund.

TOTAL - EXECUTIVE OFFICE OF THE GOVERNOR

1984-85	$ 4,991,000
1985-86	$5,238,500

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2. LIEUTENANT GOVERNOR

1983-84	$ 19,000
1984-85	$ 478,800
1985-86	$ 503,000

Included in the above appropriation in each year of the biennium is $10,000 for the Lieutenant Governor's expense allowance to meet additional expenses associated with the position of Lieutenant Governor of Kentucky as specified in KRS 64.710.

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3. SECRETARY OF STATE

a. General Operations

1983-84	$ 75,000
1984-85	$ 1,054,900
1985-86	$ 1,092,500

b. Restoration of Land Grant Books

1984-85	$ 44,000
1985-86	$ 44,000

TOTAL - SECRETARY OF STATE

1983-84	$ 75,000
1984-85	$ 1,098,900
1985-86	$ 1,136,500

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4. BOARD OF ELECTIONS

1984-85	$ 1,075,700
1985-86	$ 1,168,400

Included in the above appropriation is $563,400 in fiscal year 1984-85 and $591,600 in fiscal year 1985-86 to pay the state's share of county election expenses (KRS 117.345) and the state's share of voter registration expenses (KRS 116.105). Any unexpended balance remaining at the close of each fiscal year shall lapse to the credit of the General Fund. Any expenses in excess of the above amounts shall be deemed a necessary governmental expense.

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5. TREASURY

1984-85	$ 1,106,400
1985-86	$ 1,346,300

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6. DEPARTMENT OF LAW

1984-85	$ 5,101,300
1985-86	$ 5,321,600

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7. UNIFIED PROSECUTORIAL SYSTEM

a. Commonwealth's Attorney

1984-85	$ 7,653,600
1985-86	$ 8,050,700

b. County Attorney

1984-85	$ 8,037,800
1985-86	$ 8,479,000

TOTAL - UNIFIED PROSECUTORIAL SYSTEM

1984-85	$ 15,691,400
1985-86	$ 16,529,700

Notwithstanding other statutory provisions to the contrary, the above appropriation includes a maximum five percent (5%) salary increase for elected officials and staff persons each fiscal year.

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8. AUDITOR OF PUBLIC ACCOUNTS

1984-85	$ 2,393,400
1985-86	$ 2,872,300

The Auditor of Public Accounts shall report in writing each sixty (60) days to the Interim Joint Committee on Appropriations and Revenue the progress of all state audits, together with copies of all completed audits.

No state agency shall enter into any contract with a non-governmental entity for an audit unless the Auditor of Public Accounts has declined in writing to perform the audit or has failed to respond within thirty (30) days of receipt of a written request. The agency requesting the audit shall furnish the Auditor of Public Accounts a comprehensive statement of the scope and nature of the proposed audit.

Any expenses incurred in the auditing of federal disaster relief funds shall be deemed a necessary governmental expense.

The Auditor shall maintain a record of all time and expenses for each audit or investigation.

Any additional expense incurred by the Auditor of Public Accounts for auditing federal funds, when such audits are mandated by a cognizant federal audit agency, shall be charged to the audited agency, when such costs may be charged against federal funds. The Auditor of Public Accounts is hereby authorized to receive these federal funds in a separate account to be established for this purpose. The Auditor shall maintain a record of all costs and expenditures associated with this provision.

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9. DEPARTMENT OF MILITARY AFFAIRS

a. General Operations

1984-85	$ 4,731,700
1985-86	$ 4,992,800

Included in the above appropriation is $152,000 in fiscal year 1984-85 and $152,000 if fiscal year 1985-86 for the Kentucky Early Warning System (KEWS) operation of which $10,000 each year is intended for the maintenance of radio equipment.

b. Disaster and Emergency Services

1984-85	$ 2,023,600
1985-86	$ 2,139,700

Included in the above appropriation is $230,700 in fiscal year 1984-85 and in fiscal year 1985-86 for the Kentucky Early Warning System (KEWS) operation.

Also included in the above appropriation is $100,000 in fiscal year 1984-85 and fiscal year 1985-86 for emergency expenses by the Division of Disaster and Emergency Services for disasters and emergencies. These funds may only be expended at the recommendation of the Adjutant General to the Governor.

Any expenditures of funds as a result of the Governor's call of the Kentucky National Guard to active duty is hereby declared to be a necessary governmental expense, provided, however, that an emergency situation shall have been declared to exist by the Governor.

Any expenditure of funds required to match federal aid to which the state would be eligible in the event of a Presidentially-declared disaster or emergency shall be declared to be a necessary governmental expense.

TOTAL - DEPARTMENT OF MILITARY AFFAIRS

1984-85 .... $ 6,755,300
1985-86 .... $ 7,132,500

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10. KENTUCKY HORSE COUNCIL

1984-85 .... $ 33,900
1985-86 .... $ 35,600

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11. DEPARTMENT OF PERSONNEL

a. General Operations
1984-85 .... $ 4,388,300
1985-86 .... $ 4,282,700

b. Pay-for-Performance/Competitive Pay
1984-85 .... $ 1,000,000
1985-86 .... $ 3,000,000

Any portion of the above appropriation may be transferred to any major program area or agency of state government for pay-for-performance and/or salary range adjustment purposes and/or to address recruitment/retention problems in specific job classifications.

No funds shall be used for non-merit director/commissioner positions and above. Notice of the transfers of these funds shall be reported quarterly during each fiscal year.

TOTAL - DEPARTMENT OF PERSONNEL

1984-85 .... $ 5,388,300
1985-86 .... $ 7,282,700

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12. PERSONNEL BOARD

1984-85 .... $ 208,100
1985-86 .... $ 236,700

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13. DEPARTMENT OF LOCAL GOVERNMENT

1984-85 .... $ 3,861,300
1985-86 .... $ 4,048,400

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14. CAPITAL PLAZA

1984-85 .... $ 2,425,300
1985-86 .... $ 2,549,900

Included in the above appropriation is $1,847,500 in fiscal year 1985 and $1,873,800 is fiscal year 1986 which shall be used for debt service for the Capital Plaza.

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15. COUNTY COSTS	1984-85	1985-86
a. Base Court Revenue	$5,431,000	$5,431,000
b. Sheriffs' Fees	1,300,000	1,350,000
c. Jury Fund	3,500,000	3,650,000
d. Witnesses	60,000	65,000
e. Special Bailiffs	20,000	25,000

f.	Board of Assessment Appeals	25,000	30,000
g.	Fugitives from Justice	300,000	315,000
h.	Sheriffs' Expense Allowance	432,000	432,000
i.	Premium on Sheriffs' Bonds	525,000	550,000
j.	County Clerks - Making Tax Bills	475,000	500,000

All county costs funded by the General Fund are deemed to be necessary governmental expenses and additional funds may be allotted from the General Fund surplus by the Secretary of the Finance and Administration Cabinet.

TOTAL - COUNTY COSTS
1984-85 .... $ 12,068,000
1985-86 .... $ 12,348,000

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16. SPECIAL FUNDS

a. Local Government Economic Assistance Fund
1984-85 .... $ 18,250,000
1985-86 .... $ 25,700,000

The above appropriations are based on the official estimate of the Secretary of Revenue for severance tax collections during the biennium, distributed in accordance with KRS 42.450 through 42.495. In the event actual severance tax receipts are different from the official estimate, the amount to be allotted to the Local Government Economic Assistance Fund shall be determined in accordance with KRS 42.450 through 42.495.

b. Area Development Fund
1984-85 .... $ 3,055,500
1985-86 .... $ 3,208,300

Notwithstanding the provisions of KRS 48.185(2), funds expended for the Area Development Fund shall be limited to these amounts.

c. Kentucky Center for the Arts - Debt Service
1984-85 .... $ 2,900,000
1985-86 .... $ 2,900,000

TOTAL - SPECIAL FUNDS
1984-85 .... $ 24,205,500
1985-86 .... $ 31,808,300

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17. GENERAL OBLIGATION BONDS

a. Park Bonds
1984-85 .... $ 560,000
1985-86 .... $ 565,000

b. Veterans Bonus Bonds
1984-85 .... $ 7,855,000
1985-86 .... $ 7,865,000

c. 1965 General Purpose Bonds
1984-85 .... $ 2,060,000
1985-86 .... $ 2,060,000

TOTAL - GENERAL OBLIGATION BONDS
1984-85 .... $ 10,475,000
1985-86 .... $ 10,490,000

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18. BOARDS AND COMMISSIONS

a. Kentucky Athletic Commission
1984-85 .... $ 68,000
1985-86 .... $ 72,200

b. Board of Proprietary Education

1984-85	$ 10,100
1985-86	$ 10,600

TOTAL - BOARDS AND COMMISSIONS

1984-85	$ 78,100
1985-86	$ 82,800

19. FINANCIAL DISCLOSURE REVIEW COMMISSION

1984-85	$ 62,800
1985-86	$ 65,900

20. MISCELLANEOUS APPROPRIATIONS

a. Board of Claims Awards

1984-85	$ 200,000
1985-86	$ 200,000

Funds are appropriated for the repayment of awards or judgments made by the Board of Claims against departments, boards, commissions, and other agencies maintained by appropriations out of the General Fund. However, awards under $500, in cases where the operating agency admits negligence, shall be paid from funds available for the operations of such agencies.

b. Judgments

1984-85	$ 100,000
1985-86	$ 100,000

For payment of such judgments as may be rendered against the Commonwealth by courts and orders of the State Personnel Board; such payments, where applicable, shall be subject to the provisions of KRS Chapter 45. Also, to pay medical malpractice judgments against the University of Kentucky and the University of Louisville in accordance with KRS 164.941 and 164.892. However, in no event shall the total payments exceed the sum of $5,500,000 in any fiscal year.

c. Prior Year Claims

1984-85	$ 100,000
1985-86	$ 100,000

d. Unredeemed Checks Refunded

1984-85	$ 60,000
1985-86	$ 60,000

Checks written by the State Treasurer and not cashed within the statutory period may be presented to the State Treasurer for reissuance in accordance with the provisions of KRS 41.370.

e. Blanket Employees Bonds

1984-85	$ -0-
1985-86	$ 140,000

For payment of premiums on blanket surety bonds as provided by KRS 62.170.

f. Frankfort Planning Commission

1984-85	$ 1,000
1985-86	$ 1,000

g. Frankfort Cemetery

1984-85	$ 2,500
1985-86	$ 2,500

h. Public Improvements

1984-85	$ 5,000
1985-86	$ 5,000

Funds are appropriated for paying assessments for public improvements against property owned by the State, and for which said assessments the State is deemed to be liable.

i. Police and Firemen - Life Insurance

1984-85	$ 50,000
1985-86	$ 50,000

Funds are appropriated for payment of benefits for state and local police and firemen in accordance with KRS 61.315.

j. Workers' Compensation

1984-85	$ 40,000
1985-86	$ 40,000

Fee officers in counties over 75,000 in population.

k. Master Commissioners - Employers Retirement

1984-85	$ 63,000
1985-86	$ 63,000

l. Master Commissioners - Social Security

1984-85	$ 100,000
1985-86	$ 100,000

m. Money Refunded

For refunding money paid into the State Treasury, which may later be determined not to be a lawful collection by the State. No money shall be refunded, however, after it has been paid into the State Treasury except by authority of the head of the department or agency to whom the money was originally paid and with the approval of the Secretary of the Finance and Administration Cabinet and the Attorney General.

TOTAL - MISCELLANEOUS APPROPRIATIONS

1984-85	$ 721,500
1985-86	$ 861,500

All items included within the Miscellaneous Appropriations category shall be deemed necessary governmental expenses, and any expenditure over the above amounts is to be paid from the General Fund Surplus.

TOTAL - GOVERNMENT OPERATIONS

1983-84	$ 94,000
1984-85	$ 98,220,000
1985-86	$111,058,600

B. COMMERCE

21. OFFICE OF THE SECRETARY

1984-85	$ 11,948,600
1985-86	$ 14,657,900

Included in the above appropriation is $10,313,000 in fiscal year 1984-85 and $12,921,000 in fiscal year 1985-86 for debt service payments on the Economic Development Bond program, of which $2.6 million in fiscal year 1986 is associated with the $25 million new bond authorization in fiscal year 1986. The remainder in both fiscal years is for the original $100 million authorization.

22. DEPARTMENT OF ECONOMIC DEVELOPMENT

1984-85	$ 2,980,000
1985-86	$ 2,996,700

23. KENTUCKY DEVELOPMENT FINANCE AUTHORITY

1984-85	$ 5,434,000
1985-86	$ 5,424,000

The appropriation in each fiscal year is entirely for debt service payments associated with the $50 million bond issuance for the Kentucky Development Finance Authority loan program.

24. DEPARTMENT OF THE ARTS

1984-85	$ 2,829,500
1985-86	$ 3,000,800

Included in the above appropriation is $1,228,000 in fiscal year 1984-85 and $1,289,400 in fiscal year 1985-86 for the Challenge Grant program to be administered by the Kentucky Arts Council.

25. DEPARTMENT OF AGRICULTURE

1984-85	$ 8,471,900
1985-86	$ 8,828,100

26. COUNCIL ON AGRICULTURE

1984-85	$ 469,300
1985-86	$ 489,200

TOTAL - COMMERCE

1984-85	$ 32,133,300
1985-86	$ 35,396,700

C. CORRECTIONS

27. CORRECTIONS

a. Correction's Management

1984-85	$ 7,234,800
1985-86	$ 12,207,400

Included in the above appropriation is $3,864,000 in fiscal year 1985 and $8,648,000 in fiscal year 1986 for debt service.

b. Adult Institutions

1983-84	$ 702,000
1985-86	$ 52,898,100

c. Community Services and Local Facilities

2.

1983-84	$ 1,100,000
1984-85	$ 11,439,000
1985-86	$ 12,687,400

d. Local Jail Support

1984-85	$ 16,532,000
1985-86	$ 16,532,000

TOTAL - CORRECTIONS

1983-84	$ 1,802,000
1985-86	$ 94,324,900

D. EDUCATION AND HUMANITIES

28. Governor's Student Learning Improvement Program

1984-85	$ 15,050,000
1985-86	$108,850,000

Included in the above appropriation is funding for the following programs:

- Essential Skills Instruction and Testing for Students, $800,000 in 1984-85 and $1,000,000 in 1985-86.
- Essential Skills Remediation for Students, $200,000 in 1984-85 and $25,100,000 in 1985-86.
- Writing Skills Development $2,000,000 in 1984-85 and $10,000,000 in 1985-86.
- Kindergarten Program Improvements $7,000,000 in 1984-85 and $12,000,000 in 1985-86.
- Adult Education Increases, $200,000 in 1984-85 and $200,000 in 1985-86.
- Basic Academic Skills Remediation for Postsecondary Vocational Students, $200,000 in 1984-85 and $200,000 in 1985-86.
- Career Ladder for Teachers, $100,000 in 1984-85 and $40,000,000 for 1985-86.
- New Teacher Testing and Internship Program, $100,000 in 1984-85 and $2,500,000 for 1985-86.
- Kentucky Instructional Excellence Fund, $300,000 in 1984-85 and $400,000 for 1985-86.
- Teachers for Kentucky's Future, $500,000 in 1984-85 and $1,000,000 in 1985-86.
- Summer Math and Science Institutes for Teachers, $300,000 in 1984-85 and $1,300,000 in 1985-86.
- Management Training for Principals, $300,000 in 1984-85 and $300,000 in 1985-86.
- Strengthen Accreditation and Enforce Academic Standards, $400,000 in 1984-85 and $500,000 in 1985-86.
- Effective Schools Program, $300,000 in 1984-85 and $300,000 in 1985-86.
- Academic Receivership for Local School Districts, $300,000 in 1984-85 and $300,000 in 1985-86.
- Gifted and Talented Program Study and Increase, $300,000 in 1984-85 and $500,000 in 1985-86.
- Textbook Replacement $1,000,000 in 1984-85 and $10,000,000 in 1985-86.
- Computers in the Classroom, $2,500,000 in 1985-86.
- Vocational Education Equipment Increases, $600,000 in 1984-85 and $600,000 in 1985-86.
- Governor's Commission on Education and Economic Development, $100,000 in 1984-85 and $100,000 in 1985-86.
- Governor's Commission on Educational Excellence, $50,000 in 1984-85 and $50,000 in 1985-86.

29. DEPARTMENT OF EDUCATION

a. General Administration

1984-85	$ 6,184,100

1985-86 .... $ 6,679,900

Included in the above appropriation is $879,900 in fiscal year 1984-85 and $913,900 in fiscal year 1985-86 to match federal dollars for the Adult Education program in accordance with federal regulations. Also included is $129,700 in fiscal year 1984-85 and $131,000 in fiscal year 1985-86 for debt service, and $2,231,900 in fiscal year 1984-85 and $2,343,600 in fiscal year 1985-86 for maintenance of facilities and building insurance costs. The amounts herein identified shall be expended for these purposes and no others, except as provided in this Act. Any surplus shall lapse to the General Fund.

b. Education for Exceptional Children

1984-85 .... $ 9,101,500
1985-86 .... $ 9,744,100

Of the above appropriation, at least $7,668,200 in fiscal year 1984-85 and $8,234,700 in fiscal year 1985-86 is included for the Kentucky School for the Blind and the Kentucky School for the Deaf.

Also included in this appropriation is $350,000 in each year of the biennium for debt service for the addition to the classroom building at the Kentucky School for the Blind.

c. School Foundation Program

1984-85 .... $895,812,600
1985-86 .... $942,294,700

Accumulated earnings for the Common School Fund shall each fiscal year be transferred to the School Foundation Program.

Funds appropriated to the School Foundation Program shall be allotted to school districts in accordance with KRS 157.310 through 157.430 and 157A.090, except that the total of the funds allotted shall not exceed the appropriations for this purpose except as provided in this Act. If funds appropriated to the School Foundation Program are insufficient to provide the amount of money required under KRS 157.390(6), allotments to local school districts shall be reduced in accordance with KRS 157.430.

The amount to be included for the 1984-85 school year in the Foundation Program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following schedule, for a term of 185 days for each rank:

Rank	I	II	III	IV	V
Experience					
0-3 years	$18,470	$16,530	$14,580	$12,560	$11,580
4-9 years	20,400	18,470	16,530	12,560	11,580
10 years & over	22,160	20,210	18,270	12,560	11,580

Beginning with the school year 1985-86, the amount to be included in the Foundation Program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following allotment schedule, for a term of 185 days, for each rank:

Rank	I	II	III	IV	V
Experience					
0-3 years	$19,390	$17,360	$15,300	$13,190	$12,160
4-9 years	21,420	19,390	17,360	13,190	12,160
10 years & over	23,270	21,220	19,180	13,190	12,160

No working budget or salary schedule shall be approved in which the average salary paid any rank of teachers is not at least equivalent to the allotment for that rank, or in which any teacher is paid less than ninety-three percent (93%) of the School Foundation Program allotment for that rank for full time service during the regular school year or the allotment under KRS 157.390(2) shall be reduced by an amount equal to the amount by which the district failed to meet salary requirements, except where there is a decline in local revenue of the district concerned after it has levied the maximum ad valorem property tax rate permitted by law. Any such reduction permitted shall be only for the amount of the decline in local revenue.

In the event any local board of education contends there has been a decline in local tax resources in that district, the State Board of Education shall certify such contention to the Department of Revenue. Said department shall then determine whether there has, in fact, been a decline in local tax resources of such district, and, if so, the amount of such decline. The Department of Revenue shall then certify its determination to the State Board of Education, and said Board shall accept such certified determination as final.

The State Board of Education shall not approve any working budgets or salary schedule summaries for local boards of education for the school years 1984-85 and 1985-86 in which the total amount for 185 days on the salary schedule summary for School Foundation Program teachers' instructional salaries is not equal to the amount for 185 days on the salary schedule summary for School Foundation Program teachers' instructional salaries in the preceding year, plus the additional amount for teachers' salaries received by the district under this appropriation for a 185 day school term by assuming the same classroom units and rank and experience of teachers in the current year as in the preceding year in each local school district.

Local school district personnel who are employed beyond the regular school term of 185 days shall be so employed in accordance with the provisions of KRS 157.390(2)(a) and 702 KAR 1:020, except that for purposes of calculation of salary allotments under the Foundation Program, the number of days of employment beyond 185 days shall be established in regulations promulgated by the State Board of Education upon recommendation by the Superintendent of Public Instruction, and funding for these extended employment days shall not exceed $19,820,000 in fiscal year 1984-85 and $19,820,000 in fiscal year 1985-86.

The allotment of any school district classroom units, pursuant to KRS 157.360(1) shall not exceed the number of teachers employed by that school district.

Notwithstanding the provisions of KRS 157.360(2), the allotments to school districts of basic classroom units for grades one (1) through three (3) shall be made on the basis of one for every twenty-five (25) pupils in average daily attendance. The allotments of basic classroom units for grades four (4) through twelve (12) shall be made on the basis of one for every twenty-seven (27) pupils in average daily attendance.

Notwithstanding the provisions of KRS 157.360(5), (6), and (10) the allotments, provision for which is made under this Act, for classroom units shall be as follows:

	1984-85	*1985-86*
Vocational Education	2,858	2,858
Exceptional Children	4,210	4,210
Kindergarten	1,072.6	1,291.8

Provided, however, that if the budgeted units in any category of classroom units -- Vocational Education, Exceptional Children, Kindergarten, classroom units for elementary and secondary schools, and units related to school administration -- prove to be excessive, the surplus may be reallocated to any other category or categories by the Superintendent of Public Instruction, upon the approval of the State Board of Education and the Secretary of the Finance and Administration Cabinet.

Kindergarten units shall be allotted in fiscal year 1984-85 and fiscal year 1985-86 on the basis of one for every two classes with 20 pupils in average daily attendance in each class.

The allotments of basic classroom units shall be made on the average daily attendance (ADA) for the end of the previous school year in public school grades one (1) through twelve (12) after the following deductions, notwithstanding the provisions of KRS 157.360(2): (a) an average daily attendance of nine and six-tenths (9.6) in fiscal year 1984-85 and in fiscal year 1985-86 shall be deducted for each vocational education unit allotted, and (b) an average daily attendance of seven and two-tenths (7.2) in fiscal year 1984-85 and in fiscal year 1985-86 shall be deducted for each exceptional children unit allotted.

The Superintendent of Public Instruction shall enforce the limited class size of 25 in average daily attendance of grades kindergarten through three (3) on a district-wide basis for each local school district.

Notwithstanding the provisions of KRS 157.360(7)(a), the total number of administrative and special instructional services (ASIS) units allotted under KRS 157.360(7) shall be the sum of the total allotted number of basic units, kindergarten units, vocational units, and exceptional children units divided by 9.

The State Board of Education shall promulgate regulations upon the recommendation of the superintendent of public instruction which shall cause ASIS units to be allocated with first priority given to funding units required for accreditation, and second priority given to adding units for classroom instruction. The third priority of funding shall be given to other needs for ASIS units in local school districts.

Allotments for ASIS classroom units pursuant to KRS 157.360(7) shall only be for those personnel who are qualified for their respective positions under applicable provisions of law and regulations and who maintain programs which have been approved pursuant to applicable regulations.

The amount to be included in the Foundation Program for other current expenses in the 1984-86 biennium shall be determined by multiplying the number of classroom units by: $4,336 in the 1984-85 school year and $4,553 in the 1985-86 school year.

The amount to be included in the Foundation Program for capital outlay shall be determined by multiplying the number of classroom units by: $1,800 in the 1984-85 school year and $1,800 in the 1985-86 school year.

In accordance with the intent of KRS 162.060 and 162.160, no space shall be rented, purchased, or otherwise acquired and thereafter converted to classroom use without prior approval of the Superintendent of Public Instruction. The State Board of Education may adopt regulations for the housing of school children. No facilities shall be approved for classroom use which are detrimental to the health of or dangerous to the safety of school children.

If a school district operates any school or grade of a school for a term of less than 185 days in accordance with KRS 158.070, or for a school day of less than the minimum required by KRS 158.060, the average daily attendance of such school shall be reduced proportionately by the Superintendent of Public Instruction in determining the allotment of classroom units.

Any undistributed balance in the Foundation Program fund at the end of the fiscal years 1984-85 and 1985-86 shall lapse to the General Fund except where provisions to the contrary are provided in this Act. No unexpended portions of the School Foundation Program fund shall be expended at any time for the purpose of KRS 156.610 through 156.650 except as identified in this Act.

The total appropriation for the School Foundation Program shall be measured by, or construed as, estimates of the state expenditures required by KRS 157.310 et. seq. If the required expenditures exceed these estimates, the Secretary of the Finance and Administration Cabinet, with approval of the Governor, may increase the appropriation by such amount as may be available and necessary to meet, to the extent possible, the required expenditures under the hereinabove cited sections of the Kentucky Revised Statutes; provided, however, that any such increase, of the total appropriation to the Foundation Program is subject to Part VI, General Provisions, Section 8, of this Act, and the provisions of KRS 45.160.

Included in this appropriation is $76,166,500 in fiscal year 1984-85 and $79,966,500 in fiscal year 1985-86 for the costs of transporting pupils to and from school. Calculations of the allotments of pupil transportation funds to school districts shall be made in accordance with KRS 157.370 and 157A.090, except that the total of the funds allotted under KRS 157.390(5) shall not exceed $76,165,500 in fiscal year 1984-85 and $79,966,500 in fiscal year 1985-86; provided, however, that these sums may be increased by any excess funds appropriated for the School Foundation Program, but no such increases shall exceed the total transportation cost calculated in accordance with KRS 157.370 and 157A.090, subject to the approval of the Superintendent of Public Instruction and the Secretary of the Finance and Administration Cabinet, except where provisions to the contrary are stated in this Act.

In the event that the funds appropriated for pupil transportation in fiscal 1984-85 and fiscal year 1985-86 are insufficient to provide allotments to local school districts in accordance with KRS 157.370 and 157A.090, notwithstanding KRS 157.430, the allotments of funds for pupil transportation only to local school districts shall be ratably reduced without reducing other allotments under this appropriation.

Included in the School Foundation Program appropriation is $1,964,000 in fiscal year 1984-85 and $1,964,000 in fiscal year 1985-86 for Vocational Transportation.

d. Power Equalization

1984-85 .... $ 54,927,500
1985-86 .... $ 68,127,500

Funds are appropriated for the purpose of equalizing expenditures among students in local school districts in accordance with KRS 157.545 - 157.575.

e. Instruction

1984-85 .... $ 7,849,400
1985-86 .... $ 8,254,800

f. Local Services

1984-85 .... $ 17,027,900
1985-86 .... $ 17,728,100

Included in the above appropriation is $2,656,200 for fiscal year 1984-85 and $2,789,000 for fiscal year 1985-86 for reimbursements to local school districts for the Out-of-District Children program operated in accordance with KRS 158.135 and applicable regulations. The provisions of KRS 158.135 notwithstanding, funds to be expended for the Out-of-District Children program shall be limited to these amounts, and if sufficient funds are not available within these allocated amounts to reimburse each district for the total allowed cost of the program, each allocation shall be ratably reduced to the level of available funds.

The above appropriation also includes $304,600 in fiscal year 1984-85 and $319,900 in fiscal year 1985-86 for school district audits; and $8,734,500 in fiscal year 1984-85 and $9,171,200 in fiscal year 1985-86 for the purchase of textbooks for grades kindergarten through twelve.

Notwithstanding the provisions of KRS 156.440, the textbooks selected by the textbook commission for each subject and grade shall be used as a basal text in school districts for a period of six (6) years.

No appropriation is included in this Act for the replacement of student fees; therefore, public schools may charge students for necessary fees and rentals, and may require students to purchase necessary instructional materials, notwithstanding the provisions to the contrary in KRS 158.107.

g. Local District Health and Life Insurance

1984-85 .... $ 37,235,400
1985-86 .... $ 41,821,500

Included in the above appropriation is $463,500 in fiscal year 1984-85 and $465,600 in fiscal year 1985-86 to provide life insurance to each full-time certified and non-certified employe of local boards of education. Also included in the above appropriation is $36,596,400 in fiscal year 1984-85 and $41,171,200 in fiscal year 1985-86 to purchase medical insurance for certified and non-certified full-time employees of local boards of education pursuant to applicable statutes and regulations. If the costs for life insurance or health insurance exceed the levels of appropriated funds, any unexpended School Foundation Program funds may be used to offset such expenditures, subject to the approval of the Secretary of the Finance and Administration.

h. Vocational Education

1984-85	$ 43,738,500
1985-86	$ 46,333,700

Included in the above appropriation is at least $1,697,600 in fiscal year 1984-85 and $1,782,500 in fiscal year 1985-86 for equipment procurement and maintenance.

i. Vocational Rehabilitation

1984-85	$ 4,200,000
1985-86	$ 4,275,000

j. Administrative Services and Budget Management

1984-85	$ 3,057,100	1985-86	$ 3,396,300

TOTAL - DEPARTMENT OF EDUCATION

1984-85	$1,079,134,000
1985-86	$1,148,454,600

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30. KENTUCKY EDUCATIONAL TELEVISION

1984-85	$ 7,858,500
1985-86	$ 8,326,200

Included in the above appropriation is $608,800 in fiscal year 1984-85 and $607,800 in fiscal year 1985-86 for debt service.

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31. HISTORICAL SOCIETY

1984-85	$ 1,515,300
1985-86	$ 1,626,700

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32. LIBRARY AND ARCHIVES

1984-85	$ 8,964,300
1985-86	$ 9,360,300

The appropriation includes $1,689,000 in fiscal year 1984-85 and $1,718,000 in fiscal year 1985-86 for debt service payments for the new State Library and Archives Building.

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33. BUREAU FOR THE BLIND

1984-85	$ 1,196,600
1985-86	$ 1,272,800

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34. KENTUCKY SCHOOL BUILDING AUTHORITY

1984-85	$ 6,240,500
1985-86	$ 16,252,200

Funds are appropriated for the purpose of meeting the debt service requirements on bonds and bond anticipation notes previously issued or authorized by the Authority. Included in the appropriation is $89,800 in fiscal year 1984-85 and $94,300 in fiscal year 1985-86 for administration.

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35. TEACHERS' RETIREMENT SYSTEM

1984-85	$128,681,800
1985-86	$133,359,000

Funds are appropriated to comply with the obligations of the state under the Teachers' Retirement System statutes as provided in KRS 161.220 through 161.710.

The above appropriation is based upon estimated funds needed to meet the requirements of KRS 161.220 through 161.710. In the event the above appropriations are in excess of these requirements, such excess funds shall lapse to the credit of the General Fund.

In accordance with KRS 161.420, in each fiscal year an amount not greater than four percent (4%) of the receipts of the state accumulation shall be set aside into the expense fund or expended for the administration of the retirement system. No General Fund dollars are provided in fiscal year 1984-85 or fiscal year 1985-86 for the cost of administration.

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36. COMMISSION ON HUMAN RIGHTS

1984-85 .... $ 1,165,200
1985-86 .... $ 1,235,900

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37. COMMISSION ON WOMEN

1984-85 .... $ 175,000
1985-86 .... $ 187,100

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38. ORAL HISTORY COMMISSION

1984-85 .... $ 87,600
1985-86 .... $ 93,500

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39. HERITAGE COUNCIL

1984-85 .... $ 379,500
1985-86 .... $ 398,500

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40. COMMISSION ON THE DEAF AND HEARING IMPAIRED

1984-85 .... $ 166,800
1985-86 .... $ 176,900

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41. OFFICE OF THE SECRETARY

1983-84 .... $ 141,000
1984-85 .... $ 269,100
1985-86 .... $ 280,600

TOTAL EDUCATION AND HUMANITIES

1983-84 .... $ 141,000
1984-85 .... $1,250,884,200
1985-86 .... $1,429,874,300

E. ENERGY

42. KENTUCKY ENERGY CABINET

1984-85 .... $ 10,278,700
1985-86 .... $ 13,341,200

Included in the above appropriation is $2,500,000 in fiscal year 1985-86 for the first payment to the Tennessee Valley Authority for construction of its atmospheric fluidized bed combustion project.

F. FINANCE AND ADMINISTRATION

43. FINANCE AND ADMINISTRATION CABINET

a. Office of the Secretary

1984-85 .... $ 1,525,900
1985-86 .... $ 2,072,100

Included in the above appropriation is $150,000 each fiscal year for payment to the City of Frankfort for the provision of fire and police protection and other service for state owned property in accordance with KRS 45.155.

b. Office of Investment and Debt Management

1984-85 .... $ 227,900
1985-86 .... $ 239,300

c. Office of Historic Properties

1984-85 .... $ 147,000
1985-86 .... $ 157,300

d. Department of Administration
1984-85 .... $ 5,263,600
1985-86 .... $ 5,510,100

e. Department of Facilities Management
1984-85 .... $ 5,958,900
1985-86 .... $ 6,880,500

f. Department of Information Systems
1984-85 .... $ 1,936,700
1985-86 .... $ 2,007,700

TOTAL - FINANCE AND ADMINISTRATION
1984-85 .... $ 15,060,000
1985-86 .... $ 16,867,000

G. HIGHER EDUCATION

44. COUNCIL ON HIGHER EDUCATION
1984-85 .... $ 4,708,700
1985-86 .... $ 4,871,300

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45. HIGHER EDUCATION ASSISTANCE AUTHORITY
1984-85 .... $ 4,058,800
1985-86 .... $ 7,579,200

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46. KENTUCKY STATE UNIVERSITY
1984-85 .... $ 11,030,400 1985-86 .... $ 13,450,000

Included in the above appropriation is $308,700 in fiscal year 1984-85 and $1,706,700 in fiscal year 1985-86 for debt service. Also included is $1,449,700 in fiscal year 1984-85 and $2,016,800 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

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47. EASTERN KENTUCKY UNIVERSITY
1984-85 .... $ 35,174,800
1985-86 .... $ 36,933,300

Included in the above appropriation is $2,433,700 in fiscal year 1984-85 and $2,433,100 in fiscal year 1985-86 for debt service. Also included is $157,000 in fiscal year 1984-85 and $164,900 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

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48. MOREHEAD STATE UNIVERSITY
1984-85 .... $ 21,421,600
1985-86 .... $ 22,548,300

Included in the above appropriation is $1,464,500 in fiscal year 1984-85 and $1,468,100 in fiscal year 1985-86 for debt service. Also included is $47,000 in fiscal year 1984-85 and $49,400 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

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49. MURRAY STATE UNIVERSITY
1984-85 .... $ 26,480,900
1985-86 .... $ 27,884,100

Included in the above appropriation is $1,620,200 in fiscal year 1984-85 and $1,617,600 in fiscal year 1985-86 for debt service. Also included is $75,000 in fiscal year 1984-85 and $78,800 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

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50. NORTHERN KENTUCKY UNIVERSITY
1984-85 .... $ 21,062,700
1985-86 .... $ 22,221,800

Included in the above appropriation is $2,860,100 in fiscal year 1984-85 and $2,823,900 in fiscal year 1985-86 for debt service. Also included is $128,000 in fiscal year 1984-85 and $134,400 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

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51. WESTERN KENTUCKY UNIVERSITY

1984-85 .... $ 33,496,900
1985-86 .... $ 35,297,800

Included in the above appropriation is $1,671,300 in fiscal year 1984-85 and $1,673,700 in fiscal year 1985-86 for debt service. Also included is $101,000 in fiscal year 1984-85 and $106,100 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

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52. UNIVERSITY OF LOUISVILLE

1984-85 .... $ 96,616,100
1985-86 .... $102,356,800

Included in the above appropriation is $10,206,700 in fiscal year 1984-85 and $10,221,400 in fiscal year 1985-86 for debt service. Also included is $424,000 in fiscal year 1984-85 and $445,200 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in 1983. Also included in the above appropriation is not less than $225,700 in fiscal year 1984-85 and not less than $225,700 in fiscal year 1985-86 for the Population Research Unit at the Urban Studies Center.

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53. UNIVERSITY OF KENTUCKY

1984-85 .... $180,975,300
1985-86 .... $193,022,200

Included in the above appropriation is $9,152,200 in fiscal year 1984-85 and $9,359,300 in fiscal year 1985-86 for debt service. Of the stated debt service amounts, $2,590,700 in fiscal year 1984-85 and $2,582,200 in fiscal year 1985-86 are for the Community College System. Also included is $566,000 in fiscal year 1984-85 and $594,300 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

Included in the above appropriation is an amount for the Community College System which shall not be less than $30,192,300 in fiscal year 1984-85 and $33,051,100 in fiscal year 1985-86. Included in the appropriation to the Community College system is $81,000 in fiscal year 1984-85 and $85,100 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

TOTAL - HIGHER EDUCATION

1984-85 .... $435,026,200
1985-86 .... $466,164,800

H. HUMAN RESOURCES

54. CABINET FOR HUMAN RESOURCES

a. Department for Social Insurance

1. Administration

1984-85 .... $ 36,571,500
1985-86 .... $ 38,728,500

In the event that any portion of this appropriation in either fiscal year is deemed to be in excess of the necessary expenses for administration of the department, such amount, with the approval of the Governor, may be used for Public Assistance Benefits to the needy in accordance with the statutes governing the functions and activities of the Department for Social Insurance. In no instance shall these excess funds be used, without the prior written approval of the Governor, to:

1. establish a new program,
2. expand the services of an existing program,
3. increase rates or payment levels in an existing program.

In instances where approval is given, notification shall be immediately forwarded to the Legislative Research Commission, along with the Governor's written approval and supporting documents from the Cabinet for Human Resources and the Finance and Administration Cabinet.

2. Benefits

1984-85 .... $206,424,400
1985-86 .... $216,009,200

To be used for the payment of benefits in accordance with the statutes governing the functions and activities of the Department for Social Insurance. No portion of this appropriation may be used for the costs of administration.

All medical assistance vendor statements for services rendered as a result of bona fide claims for medical care may be paid in the fiscal year in which such statements are received by the paying agency.

b. Department for Employment Services
1984-85 .... $ 263,700
1985-86 .... $ 276,900

c. Department for Health Services
1984-85 .... $ 98,498,500
1985-86 .... $115,381,700

Included in the above appropriation is $4,618,800 in fiscal year 1984-85 and $4,618,800 in fiscal year 1985-86 for debt service.

d. Department for Social Services
1984-85 .... $ 44,648,400
1985-86 .... $ 45,339,000

e. Executive Policy Support
1984-85 .... $ 11,835,500
1985-86 .... $ 13,324,000

Included in the above appropriation is $2,791,700 in fiscal year 1984-85 and $2,787,900 in fiscal year 1985-86 for debt service.

TOTAL - HUMAN RESOURCES
1984-85 .... $398,242,000
1985-86 .... $429,059,300

I. JUSTICE

55. JUSTICE CABINET

a. Department of Training
1984-85 .... $ 2,175,500
1985-86 .... $ 2,302,900

b. Department of State Police
1984-85 .... $ 59,510,300
1985-86 .... $ 63,464,300

Included in the above appropriation is $752,000 in fiscal year 1984-85 and in fiscal year 1985-86 for the Kentucky Early Warning System (KEWS) operation.

Any extraordinary expenditures of funds as a result of the Governor's call of the Kentucky State Police to extraordinary duty is hereby declared to be a necessary government expense; provided, however, that an emergency situation shall have been declared to exist by the Governor.

c. Justice Administration
1984-85 .... $ 1,587,300 1985-86 .... $ 1,686,400

TOTAL - JUSTICE CABINET
1984-85 .... $ 63,273,100
1985-86 .... $ 67,453,600

J. LABOR

56. LABOR CABINET
1984-85 .... $ 1,460,700
1985-86 .... $ 1,535,000

K. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

57. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET

a. Department of Natural Resources
1984-85 .... $ 7,016,500
1985-86 .... $ 7,721,800

Not less than $60,000 of the appropriation for each fiscal year shall be set aside for emergency forest fire suppression. Any expenditure for emergency fire suppression in excess of this amount in either fiscal year is deemed to be a necessary government expense by written order of the Governor upon certification by the Secretary of the Finance and Administration Cabinet as to the advisability of such expenditure.

b. Department of Environmental Protection

1984-85	$ 7,593,800
1985-86	$ 8,731,600

c. Department of Surface Mining Reclamation and Enforcement

1984-85	$ 6,255,800
1985-86	$ 6,754,000

Included in the above appropriations is $1,000,000 in each fiscal year for the return of permit and acreage fees per KRS 350.139. Any expenditure for this purpose in excess of this amount in either fiscal year is deemed to be a necessary government expense.

d. General Administration and Support

1984-85	$ 2,661,800
1985-86	$ 2,810,400

TOTAL - NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET

1984-85	$ 23,527,900
1985-86	$ 26,017,800

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58. ENVIRONMENTAL QUALITY COMMISSION

1984-85	$ 79,900
1985-86	$ 89,400

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59. KENTUCKY NATURE PRESERVES COMMISSION

1984-85	$ 173,600
1985-86	$ 182,300

TOTAL - NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

1984-85	$ 23,781,400
1985-86	$ 26,289,500

L. PUBLIC PROTECTION AND REGULATION

60. OFFICE OF THE SECRETARY

1983-84	$ 21,800
1984-85	$ 387,000
1985-86	$ 404,600

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61. DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

1983-84	$ 50,000
1984-85	$ 1,446,000
1985-86	$ 1,517,800

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62. BOARD OF CLAIMS/CRIME VICTIMS COMPENSATION BOARD

1984-85	$ 765,400
1985-86	$ 803,700

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63. BOARD OF TAX APPEALS

1983-84	$ 3,000
1984-85	$ 214,700
1985-86	$ 225,800

64. DEPARTMENT OF HOUSING, BUILDINGS AND CONSTRUCTION

1984-85	$ 3,327,500
1985-86	$ 3,438,000

65. DEPARTMENT OF INSURANCE

1984-85	$ 1,699,500
1985-86	$ 1,792,700

66. KENTUCKY STATE RACING COMMISSION

1984-85	$ 410,700
1985-86	$ 430,800

67. KENTUCKY HARNESS RACING COMMISSION

1984-85	$ 478,100
1985-86	$ 503,600

68. QUARTER HORSE AND APPALOOSA COMMISSION

at 1983-84	$ 59,600
1984-85	$ 124,300
1985-86	$ 61,300

69. DEPARTMENT OF MINES AND MINERALS

1984-85	$ 6,142,000
1985-86	$ 6,539,000

70. DEPARTMENT OF PUBLIC ADVOCACY

1984-85	$ 6,641,400
1985-86	$ 6,902,900

71. PUBLIC SERVICE COMMISSION

1984-85	$ 3,748,300
1985-86	$ 4,070,700

72. REGISTRY OF ELECTION FINANCE

1983-84	$ 18,300
1984-85	$ 277,900
1985-86	$ 288,300

TOTAL - PUBLIC PROTECTION AND REGULATION

1981-82	$ 152,700
1984-85	$ 25,610,800
1985-86	$ 26,979,200

M. REVENUE CABINET

73. REVENUE CABINET

1984-85	$ 36,645,200
1985-86	$ 38,245,100

Included in the above appropriation is $11,444,500 in fiscal year 1984-85 and $11,857,100 in fiscal year 1985-86 for property valuation administrators; any expenses in excess of these amounts for property valuation administrators shall be deemed necessary governmental expenses. Notwithstanding other statutes to the contrary, property valuation administrators shall receive a maximum five percent (5%) salary increase each fiscal year.

N. TOURISM

74. OFFICE OF THE SECRETARY

1984-85	$ 634,100
1985-86	$ 683,700

75. DEPARTMENT OF TRAVEL DEVELOPMENT

1984-85	$ 3,350,100
1985-86	$ 3,490,500

76. DEPARTMENT OF PARKS

1984-85	$ 14,765,700
1985-86	$ 19,450,400

77. KENTUCKY HORSE PARK

1984-85	$ 1,941,800
1985-86	$ 2,026,700

Included is $1,411,000 and $1,406,000 for fiscal year 1985 and fiscal year 1986 respectively for the debt service requirement of the Project 29 Revenue Bonds.

78. BREAKS INTERSTATE PARK

1984-85	$ 164,800
1985-86	$ 173,000

For matching funds appropriated by the Commonwealth of Virginia relating to construction, maintenance, and operations at the Breaks Interstate Park. In accordance with the Breaks Interstate Compact this appropriation is contingent upon an appropriation by the Commonwealth of Virginia adequate to match this amount on an equal basis; provided, however, that appropriations to date shall be considered cumulatively, and any deficit in appropriations by this state may be removed.

79. STATE FAIR BOARD

1984-85	$ 5,805,700
1985-86	$ 6,096,000

Included in the above appropriation is at least $5,800,000 in fiscal year 1984-85 and $5,800,000 in fiscal year 1985-86 for debt service.

TOTAL - TOURISM

1984-85	$ 26,662,200
1985-86	$ 31,920,300

O. TRANSPORTATION

80. TRANSPORTATION CABINET

a. General Administration and Support

1984-85	$ 299,600
1985-86	$ 318,800

b. Air Transportation

1984-85	$ 1,227,800
1985-86	$ 1,285,400

Included in the above appropriation is $72,400 in fiscal year 1984-85 and $74,500 in fiscal year 1985-86 for debt service.

c. Rail Transportation

1984-85	$ 76,500

	1985-86	$ 80,300
d.	Public Transportation	
	1984-85	$ 558,300
	1985-86	$ 585,700

TOTAL - TRANSPORTATION	
1984-85	$ 2,162,200
1985-86	$ 2,270,200

TOTAL - EXECUTIVE DEPARTMENT OF STATE GOVERNMENT	
1983-84	$ 2,189,700
1984-85	$2,503,311,500
1985-86	$2,790,779,700

PART II

TRUST AND AGENCY FUNDS

There is appropriated to the various officers, cabinets, departments, boards, commissions, institutions, subdivisions, and other agencies of the State Government only as are listed herein for the fiscal year ending June 30, 1985, and for the fiscal year ending June 30, 1986, all of the fees (which include fees for board and room, athletics, and student activities) and rental, admittances, sales, bond proceeds, licenses collected by law, gifts, subventions, contributions, income from investments and other miscellaneous receipts produced or received by any of the following agencies of the State Government, except as otherwise specifically provided, for the use and benefit of each of the below-named agencies of the State Government for the purposes for which each fund is authorized. Receipts which are received by each of the respective agencies of the State Government listed herein shall be placed to the credit of a Trust and Revolving, or an Agency Fund out of which shall be established separate Trust and Revolving or Agency Fund accounts for the use and benefit of these agencies of the State Government for purposes for which each fund is authorized. All funds received shall be deposited in the State Treasury and credited to the proper account as provided by KRS Chapters 12, 42, 45, and 48.

In the event receipts received and credited to any Trust and Revolving or Agency Fund account during fiscal year 1984-85 or fiscal year 1985-86 and any balance forwarded to the credit of any such account from the previous year, exceed, by the sum of five percent (5%), the appropriation made by specific sum to said account for the fiscal year in which the excess occurs, said excess shall become available for expenditure for the purpose of the account during said year only with the authorization of the Executive Director of the Governor's Office for Policy and Management upon approval of the Secretary of the Finance and Administration Cabinet; provided, however, that institutions of higher education may receive and expend all trust and agency funds without limitation.

Except as herein otherwise provided, the appropriate agency may requisition for expenditure from the Trust and Revolving or Agency Fund account, through the Finance and Administration Cabinet, during the fiscal year ending June 30, 1985, and during the fiscal year ending June 30, 1986, all receipts placed to the credit of the Trust and Revolving or Agency Fund for such year, out of which has been established a Trust and Revolving or Agency Fund account for each separate agency during such fiscal year, in addition to any balance which said agency may have had forwarded from the preceding year on or before August 31, of the then current fiscal year, by the Finance and Administration Cabinet. On or before the beginning of each fiscal year, each agency, other than institutions of higher education, shall submit to the Finance and Administration Cabinet and the Legislative Research Commission schedules for each budget unit showing estimated receipts and estimated expenditures, a comparative statement of any revised estimated receipts and expenditure with amounts provided in the executive budget as adopted by the 1984 General Assembly, and statements which explain the occurrence of such variances.

In the event a budget unit not listed herein receives unanticipated monies, the Secretary of the Finance and Administration Cabinet, upon written request from the agency head with appropriate documentation of the amount, source, purpose, necessity and use of such monies, may authorize, upon recommendation of the Governor's Office for Policy and Management, the credit and expenditure of such funds for statutory purposes. The Secretary of the Finance and Administration Cabinet shall cause to be established a restricted account for the receipt and disbursement of such funds and shall establish the maximum sum which may be credited and expended from the authorized account. The Secretary of the Finance and Administration Cabinet, in consultation with the Interim Joint Committee on Appropriations and Revenue, shall provide appropriate notice pursuant to this event to the Legislative Research Commission.

A. GOVERNMENT OPERATIONS

1. SECRETARY OF STATE

Notwithstanding the provisions of KRS 118.610, 271A.625, KRS 271A.630, KRS 271A.635, and KRS 56.300; all the operating receipts from all activities of the office of the Secretary of State shall be deposited in the State Treasury to the credit of the General Fund.

2. BOARD OF ELECTIONS

1984-85	$ 78,000
1985-86	$ 35,000

3. TREASURY

1984-85	$ 318,600
1985-86	$ 165,000

4. DEPARTMENT OF LAW

1984-85	$ 1,512,300
1985-86	$ 1,577,400

5. AUDITOR OF PUBLIC ACCOUNTS

1984-85	$ 774,000
1985-86	$ 500,000

The Auditor of Public Accounts shall quarterly notify the Finance and Administration Cabinet of the status of the collection of fees charged for county audit work conducted, and the Finance and Administration Cabinet shall withhold any monies due any county government which is delinquent in payment of fees to the Auditor of Public Accounts for the term of one hundred and twenty (120) days until the Auditor of Public Accounts has received full payment from the county. The Auditor of Public Accounts is hereby authorized to increase the audit fees for conducting County Audits if additional revenues are needed to continue the operation of the office.

6. DEPARTMENT OF MILITARY AFFAIRS

a. General Operations

1984-85	$ 589,200
1985-86	$ 645,000

b. Disaster and Emergency Services

1984-85	$ 65,000
1985-86	$ 107,500

7. KENTUCKY HORSE COUNCIL

1984-85	$ 25,900
1985-86	$ 29,600

8. DEPARTMENT OF PERSONNEL

a. General Operations

1984-85	$ 486,400
1985-86	$ 641,800

b. Workers' Compensation
Benefits and Reserve

9. PERSONNEL BOARD

1984-85	$ 46,800
1985-86	$ 25,000

10. DEPARTMENT FOR LOCAL GOVERNMENT

1984-85	$ 865,000
1985-86	$ 865,000

11. Kentucky Retirement Systems

1984-85	$ 1,414,000
1985-86	$ 1,528,800

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12. CAPITAL PLAZA

1984-85	$ 1,696,000
1985-86	$ 1,692,700

The above funds include $1,366,500 in fiscal year 1984-85 and $1,341,200 in fiscal year 1985-86 for debt service payment of the Capital Plaza. Also included in the above appropriations is $329,500 in fiscal year 1984-85 and $351,500 in fiscal year 1985-86 for general operations.

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13. COUNTY FEES

	1984-85	1985-86
Jefferson County	$9,396,600	$9,678,500
Kenton County	1,564,300	1,611,300
Campbell County	957,100	985,800
Fayette County	3,140,200	3,234,400
Daviess County	1,101,000	1,134,000
Pike County	1,089,500	1,122,200

County Fees for the following counties: Jefferson, Kenton, Fayette, Campbell, Daviess, and Pike are for paying the various officials of each county enumerated, seventy-five percent (75%) of the fees provided by law. This is to be paid, by the State, to these officials when their claims for fees have been presented to the Finance and Administration Cabinet in the form and manner prescribed by law and approved by the Secretary of the Finance and Administration Cabinet. Each Fiscal Court of said counties are to receive twenty-five percent (25%) of said fees as required by KRS 64.350.

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14. OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS

	1984-85	1985-86
a. Board of Accountancy	$249,600	$270,700
b. Board of Architects	$ 77,000	$ 79,000
c. Board of Auctioneers	$ 99,400	$104,000
d. Board of Barbers	$108,100	$111,400
e. Board of Chiropractic Examiners	$ 42,500	$ 44,000
f. Board of Dental Examiners	$243,800	$259,800
g. Board of Embalmers and Funeral Directors	$ 86,000	$ 88,000
h. Board of Engineers and Land Surveyors	$289,200	$295,200
i. Board of Hairdressers and Cosmetologists	$485,900	$518,300
j. Board of Hearing Aid Dealers	$ 10,100	$ 10,300
k. Board of Landscape Architecture	$ 10,400	$ 11,600
l. Board of Medical Licensure	$489,200	$593,000
m. Board of Nurses	$861,000	$936,800
n. Nursing Home Administrators Licensure Board	$ 40,900	$ 44,500
o. Board of Ophthalmic Dispensers	$ 12,200	$ 13,000
p. Board of Optometric Examiners	$ 40,800	$ 40,800
q. Board of Pharmacy	$279,900	$291,600
r. Board of Physical Therapy	$ 50,700	$ 51,200

s. Board of Podiatry	$ 3,000	$ 3,000
t. Board of Proprietary Education	$ 53,500	$ 58,600
u. Board of Psychology	$ 22,500	$ 23,500
v. Real Estate Commission		
1. Examination and Licensing	$469,400	$483,800
2. Real Estate Education Research and Recovery	$462,300	$520,000
w. Board of Social Workers	$ 39,200	$ 39,400
x. Board of Speech Pathologists and Audiologists	$ 9,800	$ 10,300
y. Board of Veterinary Examiners	$ 66,900	$ 66,900

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15. PUBLIC EMPLOYEES DEFERRED COMPENSATION SYSTEM

1984-85 .... $ 92,000
1985-86 .... $ 80,000

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16. KENTUCKY REINSURANCE ASSOCIATION

1984-85 .... $ 65,595,600
1985-86 .... $ 65,621,500

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17. GOVERNMENTAL SERVICES CENTER

1984-85 .... $ 834,300
1985-86 .... $ 890,400

B. COMMERCE

18. DEPARTMENT OF ECONOMIC DEVELOPMENT

1984-85 .... $ 222,600
1985-86 .... $ 365,700

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19. KENTUCKY DEVELOPMENT FINANCE AUTHORITY

1984-85 .... $ 14,791,100
1985-86 .... $ 9,750,700

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20. DEPARTMENT OF THE ARTS

1984-85 .... $ 186,400
1985-86 .... $ 191,400

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21. DEPARTMENT OF AGRICULTURE

1984-85 .... $ 1,484,400
1985-86 .... $ 1,530,200

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22. TOBACCO RESEARCH BOARD

1984-85 .... $ 23,500
1985-86 .... $ 25,100

C. CORRECTIONS

23. CORRECTIONS CABINET

1984-85 .... $ 7,028,100

		1985-86	$ 7,523,600

D. EDUCATION AND HUMANITIES

24.		DEPARTMENT OF EDUCATION	
	a.	General Administration	
		1984-85	$ 2,458,700
		1985-86	$ 2,417,700
	b.	Education for Exceptional Children	
		1984-85	$ 425,100
		1985-86	$ 402,600
	c.	Vocational Education	
		1984-85	$ 17,847,900
		1985-86	$ 19,409,200
	d.	Instruction	
		1984-85	$ 72,300
		1985-86	$ 68,300
	e.	Administrative Services and Budget Management	
		1984-85	$ 255,000
		1985-86	$ 255,000
25.		KENTUCKY EDUCATIONAL TELEVISION	
		1984-85	$ 300,000
		1985-86	$ 300,000
26.		HISTORICAL SOCIETY	
		1984-85	$ 283,700
		1985-86	$ 214,100
27.		LIBRARY AND ARCHIVES	
		1984-85	$ 416,900
		1985-86	$ 482,500
28.		DEPARTMENT FOR THE BLIND	
		1984-85	$ 1,623,500
		1985-86	$ 1,708,200
29.		KENTUCKY SCHOOL BUILDING AUTHORITY	
		1984-85	$ 179,000
30.		HERITAGE COUNCIL	
		1984-85	$ 500
		1985-86	$ 500
31.		TEACHERS' RETIREMENT SYSTEM	
		1984-85	$ 1,394,400
		1985-86	$ 1,469,400

E. ENERGY

32.		KENTUCKY ENERGY CABINET	
		1984-85	$ 498,900
		1985-86	$ 446,100

F. FINANCE AND ADMINISTRATION

33. FINANCE AND ADMINISTRATION CABINET

a. Office of the Secretary

1984-85	$ 440,500
1985-86	$ -0-

All funds received under any program of anti-recession or counter cyclical assistance enacted by the United States Congress are hereby appropriated to the Finance and Administration Cabinet to be used for the maintenance of basic services in and among the various agencies, cabinet, and departments of state government. Any portion of these funds may be transferred to other major program areas or agencies of state government for the purpose of continuing basic services; provided, however, that such transfers shall be used to reduce General Fund appropriations and shall not in any way increase the expenditure level authorized by the General Assembly.

b. State Office for Social Security

1984-85	$ 386,100
1985-86	$ 412,400

c. Office of Investment and Debt Management

1984-85	$ 212,500
1985-86	$ 232,700

d. Department of Administration

1984-85	$ 7,054,400
1985-86	$ 7,316,500

e. Department of Facilities Management

1984-85	$ 28,837,400
1985-86	$ 32,028,900

f. Department of Information Systems

1984-85	$ 20,509,900
1985-86	$ 21,841,900

G. HIGHER EDUCATION

34. HIGHER EDUCATION ASSISTANCE AUTHORITY

1984-85	$ 9,397,300
1985-86	$ 7,129,100

Included in the above appropriation is $4,510,600 in 1984-85 and $1,458,500 in 1985-86 for the Student Grant Program, $2,994,600 in 1984-85 and $3,137,100 in 1985-86 for the Student Loan Program, $1,007,100 in 1984-85 and $1,058,500 in 1985-86 for the Work Study Program, and $885,000 in 1984-85 and $1,475,000 in 1985-86 for the Education Excellence Incentive Program.

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35. UNIVERSITY OF KENTUCKY

1984-85	$202,677,700
1985-86	$211,312,900

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36. UNIVERSITY OF LOUISVILLE

1984-85	$ 67,699,900
1985-86	$ 68,857,100

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37. EASTERN KENTUCKY UNIVERSITY

1984-85	$ 37,667,700
1985-86	$ 38,267,000

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38. WESTERN KENTUCKY UNIVERSITY

1984-85	$ 24,370,400
1985-86	$ 25,527,000

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39. MOREHEAD STATE UNIVERSITY

1984-85	$ 16,427,400

1985-86	$ 17,190,900

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40. MURRAY STATE UNIVERSITY

1984-85	$ 18,469,900
1985-86	$ 18,384,400

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41. KENTUCKY STATE UNIVERSITY

1984-85	$ 4,553,300
1985-86	$ 4,795,200

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42. NORTHERN KENTUCKY UNIVERSITY

1984-85	$ 14,535,900
1985-86	$ 15,357,400

H. HUMAN RESOURCES

43. CABINET FOR HUMAN RESOURCES

a. Department for Social Insurance

1. Benefits

1984-85	$ 3,596,400
1985-86	$ 6,185,600

b. Department for Employment Services

1984-85	$ 4,985,900
1985-86	$ 4,985,900

c. Department for Health Services

1984-85	$ 44,055,100
1985-86	$ 34,626,100

d. Department for Social Services

1984-85	$ 5,351,600
1985-86	$ 5,666,500

e. Executive Policy Support

1984-85	$ 4,338,400
1985-86	$ 4,338,400

I. JUSTICE

44. JUSTICE CABINET

a. Department of Training

1984-85	$ 8,608,000
1985-86	$ 9,036,400

Under the provisions of the Kentucky Law Enforcement Foundation Program Fund, an eligible local unit of government shall be entitled to receive a supplement to each qualified police officer's annual base salary from the Law Enforcement Foundation Program Fund, to be paid to each officer in addition to his regular salary as prescribed by KRS 15.460 and KRS 15.500. Included in the above appropriation is $8,568,000 in fiscal year 1984-85 and $8,996,400 in fiscal year 1985-86 receipts pursuant to KRS 136.340 for the purpose of the Kentucky Law Enforcement Foundation Program as enacted by the 1982 General Assembly.

b. Department of State Police

1984-85	$ 475,000
1985-86	$ 500,000

c. Justice Administration

1984-85	$ 2,700
1985-86	$ 1,400

J. LABOR

45. LABOR CABINET

1984-85	$ 66,353,400
1985-86	$ 67,379,300

The above level of agency receipts is predicated on major changes in the assessment of the Worker's Compensation Maintenance Fund as defined in KRS 342.

K. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

46.	NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET	
a.	Department for Natural Resources	
	1984-85	$ 3,934,700
	1985-86	$ 4,520,600
b.	Department for Environmental Protection	
	1984-85	$ 794,800
	1985-86	$ 809,800
c.	Department for Surface Mining Reclamation and Enforcement	
	1984-85	$ 70,000
	1985-86	$ 75,400
d.	General Administration and Support	
	1984-85	$ 964,700
	1985-86	$ 1,120,900

47.	KENTUCKY NATURE PRESERVES COMMISSION	
	1984-85	$ 41,000
	1985-86	$ 41,000

L. PUBLIC PROTECTION AND REGULATION

48.	DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL	
	1984-85	$ 3,500
	1985-86	$ 3,500
49.	DEPARTMENT OF BANKING AND SECURITIES	
	1984-85	$ 2,589,500
	1985-86	$ 2,753,000
50.	BOARD OF CLAIMS/CRIME VICTIMS' COMPENSATION	
	1984-85	$ 265,000
	1985-86	$ 275,000
51.	DEPARTMENT OF HOUSING, BUILDINGS, AND CONSTRUCTION	
	1984-85	$ 10,592,600
	1985-86	$ 11,001,000
52.	DEPARTMENT OF INSURANCE	
	1984-85	$ 1,720,700
	1985-86	$ 1,716,500
53.	KENTUCKY STATE RACING COMMISSION	
	1984-85	$ 3,297,500
	1985-86	$ 3,293,000
54.	BACKSIDE IMPROVEMENT COMMISSION	
	1984-85	$ 598,000
	1985-86	$ 598,000

55. KENTUCKY HARNESS RACING COMMISSION

1984-85	$ 591,600
1985-86	$ 597,400

56. QUARTER HORSE AND APPALOOSA COMMISSION

1984-85	$ 90,000
1985-86	$ 250,000

57. DEPARTMENT OF MINES AND MINERALS

1984-85	$ 1,208,500
1985-86	$ 1,212,500

58. DEPARTMENT OF PUBLIC ADVOCACY

1984-85	$ 80,000
1985-86	$ 85,000

59. PUBLIC SERVICE COMMISSION

1984-85	$ 4,100
1985-86	$ 4,400

M. REVENUE

60. REVENUE CABINET

1984-85	$ 1,140,000
1985-86	$ 1,190,000

N. TOURISM

61. DEPARTMENT OF PARKS

1984-85	$ 31,725,100
1985-86	$ 29,634,000

Included in the above appropriation is $1,470,000 in fiscal year 1985 and $1,473,000 in fiscal year 1986 for the debt service on revenue bonds issued in 1962, 1965, and 1967.

62. KENTUCKY HORSE PARK

1984-85	$ 2,993,200
1985-86	$ 3,104,000

63. FISH AND WILDLIFE RESOURCES

1984-85	$ 13,083,100
1985-86	$ 13,574,100

64. KENTUCKY STATE FAIR BOARD

1984-85	$ 12,800,200
1985-86	$ 13,483,300

O. TRANSPORTATION

65. DEPARTMENT OF TRANSPORTATION

a. Air Transportation

1984-85	$ 10,000
1985-86	$ 10,000

b. Highways

1984-85	$ 1,333,000
1985-86	$ 1,225,000

PART III
FEDERAL FUNDS

There is appropriated to the various officers, cabinets, departments, boards, commissions, institutions, subdivisions, and other agencies of the State Government only as are listed herein for the fiscal year ending June 30, 1985, and for the fiscal year ending June 30, 1986, Federal subventions, grants, contracts and other Federal funds received, income from investments and other miscellaneous Federal receipts received by any of the following agencies of the State Government, except as otherwise specifically provided, for the use and benefit of each of the below-named agencies of the State Government for the purposes for which each fund is authorized. Receipts which are received by each of the respective agencies of the State Government listed herein shall be placed to the credit of a Federal Fund out of which shall be established separate accounts for the use and benefit of these agencies of the State Government for purposes for which each fund is authorized. All funds received shall be deposited in the State Treasury and credited to the proper account as provided by KRS chapter 12, 42, 45, and 48.

In the event receipts received and credited to any Federal Fund account during fiscal year 1984-85 or fiscal year 1985-86, and any balance forwarded to the credit of any such account from the previous fiscal year, exceed, by the sum of five percent, the appropriation made by specific sum to said account for the fiscal year in which the excess occurs, said excess shall become available for expenditure for the purpose of the account during said year only with the authorization of the Executive Director of the Governor's Office for Policy and Management upon approval of the Secretary of the Finance and Administration Cabinet; provided, however, that institutions of higher education may receive and expend all Federal funds without limitation.

Except as herein otherwise provided, the appropriate agency may requisition for expenditure from the Federal Fund account, through the Finance and Administration Cabinet, during the fiscal year ending June 30, 1985, and during the fiscal year ending June 30, 1986, all receipts placed to the credit of the Federal Fund for such year, out of which has been established a Federal Fund account for each separate agency during such fiscal year, in addition to any balance which said agency may have had forwarded from the preceding year on or before August 31, of the then current fiscal year, by the Finance and Administration Cabinet. On or before the beginning of each fiscal year, each agency, other than institutions of higher education, shall submit to the Finance and Administration Cabinet and the Legislative Research Commission schedules for each budget unit showing estimated receipts and estimated expenditures for the ensuing fiscal year, a comparison of any revised estimates with the amounts provided in the Executive Budget as adopted by the 1984 General Assembly, and statements which explain the occurrence of such variances.

In the event a budget unit not listed herein receives unanticipated monies, the Secretary of the Finance and Administration Cabinet, upon written request from the agency head with appropriate documentation of the amount, source, purpose, necessity and use of such monies, may authorize, upon recommendation of the Governor's Office for Policy and Management the credit and expenditure of such funds for statutory purposes. The Secretary of the Finance and Administration Cabinet shall cause to be established a restricted account for the receipt and disbursement of such funds and shall establish the maximum sum which may be credited and expended from the authorized account. The Secretary of the Finance and Administration Cabinet, in consultation with the Interim Joint Appropriations and Revenue Committee, shall provide appropriate notice pursuant to this event to the Legislative Research Commission. No state agency which shall be entitled to receive federal funds which would represent one-hundred percent (100%) of the cost of a program in which the state participates shall decline to accept or receive such entitlement without notification to the Interim Joint Committee on Appropriations and Revenue of the Legislative Research Commission.

A. GOVERNMENT OPERATIONS

1. DEPARTMENT OF LAW

1984-85	$ 1,570,200
1985-86	$ 1,706,700

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2. DEPARTMENT OF MILITARY AFFAIRS

a. General Operations

1984-85	$ 1,051,200
1985-86	$ 1,105,500

b. Disaster and Emergency Services

1984-85	$ 1,359,500
1985-86	$ 1,315,900

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3. DEPARTMENT FOR LOCAL GOVERNMENT

1984-85	$ 36,546,700
1985-86	$ 35,416,000

B. COMMERCE

4. DEPARTMENT OF ECONOMIC DEVELOPMENT

1984-85	$ 37,500
1985-86	$ 18,700

5. DEPARTMENT OF THE ARTS

1984-85	$ 437,600
1985-86	$ 437,600

6. DEPARTMENT OF AGRICULTURE

1984-85	$ 2,123,500
1985-86	$ 2,234,500

C. CORRECTIONS

7. CORRECTIONS CABINET

1984-85	$ 45,800
1985-86	$ 39,400

D. EDUCATION AND HUMANITIES

8. DEPARTMENT OF EDUCATION

a. General Administration

1984-85	$ 2,229,400
1985-86	$ 2,247,400

b. Education for Exceptional Children

1984-85	$ 19,486,100
1985-86	$ 21,389,100

c. Instruction

1984-85	$ 63,662,600
1985-86	$ 63,386,100

d. Local Services

1984-85	$ 71,229,100
1985-86	$ 74,016,200

e. Vocational Education

1984-85	$ 16,305,100
1985-86	$ 15,626,500

f. Vocational Rehabilitation

1984-85	$ 17,575,000
1985-86	$ 18,383,100

g. Administrative Services and Budget Management

1984-85	$ 1,590,300
1985-86	$ 1,335,700

9. LIBRARY AND ARCHIVES

1984-85	$ 1,199,400
1985-86	$ 1,175,100

10. DEPARTMENT FOR THE BLIND

1984-85	$ 2,617,400
1985-86	$ 2,701,500

11. ADVISORY COUNCIL ON VOCATIONAL EDUCATION

1984-85	$ 111,600
1985-86	$ 120,000

12. HERITAGE COUNCIL

1984-85	$ 807,900
1985-86	$ 555,200

E. ENERGY

13. KENTUCKY ENERGY CABINET

1984-85	$ 519,800
1985-86	$ 428,000

F. HIGHER EDUCATION

14. HIGHER EDUCATION ASSISTANCE AUTHORITY

1984-85	$ 732,300
1985-86	$ 732,300

15. UNIVERSITY OF KENTUCKY

1984-85	$ 32,178,100
1985-86	$ 32,178,100

16. UNIVERSITY OF LOUISVILLE

1984-85	$ 9,605,700
1985-86	$ 9,605,700

17. EASTERN KENTUCKY UNIVERSITY

1984-85	$ 5,902,100
1985-86	$ 5,902,100

18. WESTERN KENTUCKY UNIVERSITY

1984-85	$ 4,427,100
1985-86	$ 4,427,100

19. MOREHEAD STATE UNIVERSITY

1984-85	$ 3,452,100
1985-86	$ 3,452,100

20. MURRAY STATE UNIVERSITY

1984-85	$ 4,444,100
1985-86	$ 4,444,100

21. KENTUCKY STATE UNIVERSITY

1984-85	$ 4,673,400
1985-86	$ 4,568,600

22. NORTHERN KENTUCKY UNIVERSITY

1984-85	$ 1,757,500
1985-86	$ 1,757,500

G. HUMAN RESOURCES

23. CABINET FOR HUMAN RESOURCES	
a. Department for Social Insurance	
1. Administration	
1984-85	$ 67,871,100
1985-86	$ 73,787,400
2. Benefits	
1984-85	$458,107,900
1985-86	$489,140,300
b. Department for Employment Services	
1. Administration - Unemployment Insurance	
1984-85	$ 18,745,400
1985-86	$ 20,620,000
2. Benefits - Unemployment Insurance	
1984-85	$339,900,000
1985-86	$373,890,000
3. Employment Services	
1984-85	$ 65,500,000
1985-86	$ 65,418,800
c. Department for Health Services	
1984-85$	45,255,600
1985-86	$ 45,072,500
d. Department for Social Services	
1984-85	$ 67,956,500
1985-86	$ 70,900,000
e. Executive Policy Support	
1984-85	$ 11,030,600
1985-86	$ 11,030,600

H. JUSTICE

24. JUSTICE CABINET	
a. Justice Administration	
1984-85	$ 860,700
1985-86	$ 29,900
b. Department of State Police	
1984-85	$ 769,200
1985-86	$ 558,000

I. LABOR

25. LABOR CABINET	
a. Labor	
1984-85	$ 2,291,600
1985-86	$ 2,520,600
b. Kentucky Occupational Safety and Health Review Commission	
1984-85	$ 265,700
1985-86	$ 285,800

J. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

26. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET	
a. Department of Natural Resources	
1984-85	$ 3,099,000
1985-86	$ 3,446,000
b. Department of Environmental Protection	

		1984-85	$ 6,100,100
		1985-86	$ 6,016,000
	c.	Department of Surface Mining Reclamation and Enforcement	
		1984-85	$ 11,700,700
		1985-86	$ 12,258,900
27.	ENVIRONMENTAL QUALITY COMMISSION		
		1984-85	$ 2,800

K. PUBLIC PROTECTION AND REGULATION

28.	DEPARTMENT OF MINES AND MINERALS		
		1984-85	$ 500,000
		1985-86	$ 500,000
29.	DEPARTMENT OF PUBLIC ADVOCACY		
		1984-85	$ 136,400
		1985-86	$ 136,400
30.	PUBLIC SERVICE COMMISSION		
		1984-85	$ 108,000
		1985-86	$ 113,000

L. TOURISM

31.	DEPARTMENT OF FISH AND WILDLIFE RESOURCES		
		1984-85	$ 3,900,000
		1985-86	$ 4,158,900

M. TRANSPORTATION

32.	TRANSPORTATION CABINET		
	a.	Air Transportation	
		1984-85	$ 11,600
		1985-86	$ 11,600
	b.	Rail Transportation	
		1984-85	$ 200,000
		1985-86	$ 200,000
	c.	Public Transportation	
		1984-85	$ 2,454,300
		1985-86	$ 2,451,500
	d.	Highways	
		1984-85	$266,719,000
		1985-86	$254,589,400

PART IV

ROAD FUND

An annual budget for each fiscal year shall be submitted by the Transportation Cabinet to the Finance and Administration Cabinet for approval by June 1, 1984, for fiscal year 1984-85 and by June 1, 1985, for fiscal year 1985-86. A copy of the annual budget submission and the approved annual budget shall be transmitted concurrently to the Legislative Research Commission. The budget shall be based upon the most current State Road Fund estimates and Surplus, estimates of contractual and noncontractual Federal aid, General Funds appropriated, and funds and fees from any other source. In fiscal year 1984-85 and fiscal year 1985-86, the Legislative Research Commission, or its designated body, may request and the Transportation Cabinet shall furnish, such information on the program services, resources, and expenditures relating to the annual budget for the stated fiscal years, or any revisions thereof, as may be deemed necessary.

In the event the State Road Fund estimates are revised during the biennium, the Transportation

Cabinet shall submit its annual budget, and any revisions thereto, based upon the new estimates. These estimates are to be certified by the Secretary of the Revenue Cabinet to the Secretary of the Finance and Administration Cabinet and upon the approval of the Governor, the Secretary of the Finance and Administration Cabinet shall make the appropriate increases or decreases to the Transportation Cabinet's annual budget. A copy of the revised annual budget, and accompanying certification and documentation, shall be provided to the Legislative Research Commission. If the State Road Fund estimates are increased or decreased during a fiscal year the Transportation Cabinet shall request from the Finance and Administration Cabinet with approval of the Governor authority to increase or decrease its annual budget in accordance with Part VI, General Provisions, Section 10 of this Act. A copy of this request and any record of approval shall be provided to the Legislative Research Commission.

It is the intent of the General Assembly that the Secretary of the Transportation Cabinet shall use Road Fund resources to meet the lease rental payments to the Kentucky Turnpike Authority for Resource Recovery Road projects in the amount certified by the Secretary of the Transportation Cabinet, pursuant to KRS 143.090. However, in the event that Road Fund resources are not sufficient to meet lease rental payments, the additional amount required for meeting lease rental payments as certified by the Secretary of the Transportation Cabinet under KRS 143.090 shall be transferred from coal severance tax receipts to cover the obligation.

The following monies are appropriated from the Road Fund.

A. TRANSPORTATION

1. TRANSPORTATION CABINET

a. General Administration and Support

1984-85	$ 37,443,800
1985-86	$ 40,144,500

b. Highways

1984-85	$425,106,200
1985-86	$435,155,500

1. Rural Highways

a. County Road Aid. For construction, reconstruction, improvement, and maintenance of county roads and bridges the designated portion of all revenue received pursuant to KRS 138.220 and 138.565 shall be expended in accordance with KRS 177.320(2). These funds shall be distributed in accordance with the formula prescribed by the provisions of KRS 177.360.

b. Rural and Secondary Roads. For construction, reconstruction, and maintenance of rural and secondary roads, the designated portion of all revenue received pursuant to the provisions of KRS 138.220 and 138.565, shall be expended in accordance with KRS 177.320. These funds shall be distributed in accordance with the formula prescribed by the provisions of KRS 177.360. In addition, pursuant to the duties and responsibilities of county judge/executives associated with the administration of the local county road program, beginning January 1, 1978, the expense allowance for each county judge/executive shall be paid from the Road Fund. These expenses shall be paid from those appropriated funds for the rural and secondary road revenue sharing program as provided in KRS 177.360 and KRS 67.

2. Municipal Aid. For the construction, reconstruction, and maintenance of urban roads, streets, and bridges, the designated amounts received pursuant to the provisions of KRS 138.220 and 138.565, shall be expended and distributed in accordance with KRS 177.365 through 177.368.

3. Included in the above appropriation is $15,000,000 in fiscal year 1984-85 and $30,000,000 in fiscal year 1985-86 for the debt service payments required for up to $300,000,000 in Economic Development Road bonds to be issued in fiscal year 1983-84.

4. Included in the above Road Fund amounts is $102,016,600 in fiscal year 1984-85 and $106,717,500 in fiscal year 1985-86 for the maintenance of the state highway system.

ROAD FUND

TOTAL - TRANSPORTATION CABINET

1984-85	$462,550,000
1985-86	$475,300,000

PART V
CAPITAL CONSTRUCTION FUND

Monies in the Capital Construction fund are appropriated for the following capital projects. Items listed without appropriated amounts are previously authorized for which no additional amount is required. These items are listed in order to continue their current authorization into the 1984-86 biennium.

A. COMMERCE

	1984-85	*1985-86*
1. Office of the Secretary		
a. Economic Development Projects		
Bond Fund		25,000,000

B. CORRECTIONS

1. Miscellaneous Projects		
Bond Fund	600,000	500,000
2. Blackburn Correctional Complex-Electrical System Upgrade		
Bond Fund (1983-84-$400,000)		
3. Kentucky State Penitentiary - Sewage and Water Plant Upgrade		
Bond Fund (1983-84-$200,000)		
4. Kentucky State Reformatory-Freezer Facility		
Bond Fund (1983-84-$225,000)		
5. Western Kentucky Farm Center-100-Bed Dorm Addition		
Bond Fund (1983-84-$550,000)		
6. Kentucky State Reformatory-Steam Line Repair		
Bond Fund (1983-84-$500,000)		
7. Kentucky State Reformatory-Electrical Distribution System		
Bond Fund (1983-84-$200,000)		
8. Kentucky State Reformatory-Waste Incinerator and Heat Recovery Boiler		
Bond Fund (1983-84-$350,000)		
9. Northpoint Training Center-Electrical Distribution System Replacement		
Bond Fund	903,000	
10. Northpoint Training Center-Steam Line Replacement		
Bond Fund	277,000	
11. Kentucky State Reformatory-Renovation of 2 Dormitories		
Bond Fund	100,000	1,700,000
12. Kentucky State Penitentiary-Conversion of Cellhouses 1 and 2		
Bond Fund	700,000	1,460,000
13. Kentucky Correctional Institute for Women-Facility Upgrade		
Bond Fund (1983-84-$400,700)	4,974,300	
14. One New Medium Security Institution		
Bond Fund	1,000,000	34,000,000
15. Northpoint Training Center-Correctional		

Industries Renovation		
Bond Fund		883,000
16. Northpoint Training Center-Academic/Vocational Education Building		
Bond Fund	200,000	1,800,000
17. Northpoint Training Center-Segregation and Protective Custody Unit		
Bond Fund	140,000	1,300,000
18. Security Bus		
Investment Income	60,000	

C. EDUCATION AND THE HUMANITIES

For the major equipment purchase displayed in this section as a General Fund supported project, it is anticipated that these funds shall be transferred from the operating fund at such time as funds are available and needed. The total project cost shown does not reflect an addition to the operating fund appropriation.

1. Eastern Kentucky Rehabilitation Center-External Repairs		
Investment Income	436,600	
Federal Fund	*313,400*	
TOTAL	750,000	
2. Mayo State Vocational/Technical School-Floor and Structural Repairs		
Investment Income	280,000	
3. Kentucky School for the Blind-Campus Lighting		
Investment Income		125,000
4. NCS Sentry 80 Computer System		
General Fund	170,200	

D. ENERGY

For the capital construction project displayed in this section as a General Fund supported project, it is anticipated that these funds shall be transferred from the operating fund at such time as funds are available and needed. The total project cost shown does not reflect an addition to the operating fund appropriation.

1. Laboratory Ventilation System		
General Fund	350,000	

E. FINANCE AND ADMINISTRATION

1. Facilities Management		
a. Emergency, Repair, Maintenance and Replacement Fund		
Investment Income	3,000,000	3,000,000
Revenue Sharing (1983-84-$781,000)		
b. Capital Construction and Equipment Purchase Contingency Fund		
Investment Income	500,000	500,000
c. Miscellaneous Projects		
Investment Income	250,000	250,000
d. Fire Sprinklers for		

New State Office Building	
Agency Fund	700,000
e. Fire Sprinklers for Capital Plaza Tower	
Agency Fund	800,000
f. Central Control System Expansion	
Revenue Sharing	
General Fund	

2. Information Systems

For the major equipment purchases displayed in this section as agency fund supported projects, it is anticipated that the funds shall be transferred from the operating fund at such time as funds are available and needed. The total project costs shown do not reflect additions to the operating fund appropriations.

- Computer Equipment-Lease/Purchase Interest Payments		
Investment Income	550,000	650,000
- Attached Processor		
Agency Fund	112,800	112,800
- AP Communications Unit		
Agency Fund	29,600	29,600
- Power and Coolant Distribution Unit		
Agency Fund	19,100	19,100
- AP System Console		
Agency Fund	16,000	16,000
- Additional Memory		
Agency Fund	10,900	10,900
- Additional Memory		
Agency Fund	76,200	76,200
- Disk Controller		
Agency Fund	10,900	10,900
- Disk Controller		
Agency Fund	14,300	14,300
- Disk Controller		
Agency Fund	6,000	6,000
- Disk Controller		
Agency Fund	15,300	15,300
- Disk Controller		
Agency Fund	22,300	22,300
- Disk Controller		
Agency Fund	17,000	17,000
- Disk Controller		
Agency Fund	16,800	16,800
- Disk Controller		
Agency Fund	26,000	26,000
- Disk Controller		
Agency Fund	41,000	38,500
- Disk Drive		
Agency Fund	16,300	16,300
- Disk Drive		
Agency Fund	16,300	16,300
- Disk Drive		
Agency Fund	16,300	16,300
- Disk Drive		
Agency Fund	16,300	16,300
- Disk Drive		
Agency Fund	18,000	18,000
- Disk Drive		
Agency Fund	33,100	33,100
- Disk Drive		

Agency Fund - Disk Drive	13,000	13,000
Agency Fund - Disk Drive	16,400	16,400
Agency Fund - Disk Drive	16,400	16,400
Agency Fund - Disk Drive	11,900	11,900
Agency Fund - Disk Drive	11,900	11,900
Agency Fund - Disk Drive	12,600	12,600
Agency Fund - Disk Drive	45,100	45,100
Agency Fund - Disk Drive	13,000	13,000
Agency Fund - Disk Drive	29,900	29,900
Agency Fund - Disk Drive	21,700	21,700
Agency Fund - Disk Drive	21,700	21,700
Agency Fund - Disk Drive	21,700	21,700
Agency Fund - Processor-Mainframe	46,000	46,000
Agency Fund - Disk Controller	581,500	581,500
Agency Fund - Disk Drive	42,500	36,200
Agency Fund - Disk Drive	46,000	46,000
Agency Fund - Disk Drive	34,000	33,200
Agency Fund - Disk Drive	34,000	33,200
Agency Fund - Disk Drive	46,000	46,000
Agency Fund - Disk Drive	34,000	33,200
Agency Fund - Disk Controller	34,000	33,200
Agency Fund - Disk Drive	42,500	36,200
Agency Fund - Disk Drive	46,000	46,000
Agency Fund - Disk Drive	34,000	33,200
Agency Fund - Disk Controller	46,000	46,000
Agency Fund - Disk Controller	42,500	42,500
Agency Fund - Disk Controller	42,500	42,500
Agency Fund - Disk Controller	42,500	42,500
Agency Fund - Disk Controller	42,500	42,500
Agency Fund - Disk Drive	42,500	42,500
Agency Fund - Disk Drive	42,500	42,500

Agency Fund - Disk Drive	42,500	42,500
Agency Fund - Disk Drive	42,500	42,500
Agency Fund - Disk Drive	42,500	42,500
Agency Fund - Disk Drive	42,500	42,500
Agency Fund - Disk Drive	42,500	42,500
Agency Fund - Disk Drive	42,500	42,500
Agency Fund - Disk Drive	42,500	42,500
Agency Fund - Disk Drive	42,500	42,500
Agency Fund - Disk Drive	35,000	35,000
Agency Fund - Disk Drive	35,000	35,000
Agency Fund - Disk Drive	35,000	35,000
Agency Fund - Disk Drive	35,000	35,000
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Agency Fund - Disk Drive	35,000	35,000
Agency Fund - Disk Drive	35,000	35,000
Agency Fund - Disk Drive	35,000	35,000
Agency Fund - Disk Drive	35,000	35,000
Agency Fund - Disk Drive	35,000	35,000
Agency Fund - Disk Drive	35,000	35,000
Agency Fund - Disk Drive	35,000	35,000
Agency Fund - Disk Drive	35,000	35,000

Agency Fund	35,000	35,000
- Disk Controller Upgrade		
Agency Fund	23,000	23,000
- Disk Drive Upgrade		
Agency Fund	23,000	23,000
- Disk Controller Upgrade		
Agency Fund	21,000	21,000
- Disk Drive Upgrade		
Agency Fund	21,000	21,000
- Disk Drive Upgrade		
Agency Fund	21,000	21,000
- Disk Drive Upgrade		
Agency Fund	21,000	21,000
- Disk Drive Upgrade		
Agency Fund	21,000	21,000
- Disk Drive Upgrade		
Agency Fund	21,000	21,000
- Disk Drive Upgrade		
Agency Fund	21,000	21,000
- Disk Drive Upgrade		
Agency Fund	21,000	21,000
- High Speed Printer		
Agency Fund	115,000	115,000
- Memory Upgrade		
Agency Fund	80,000	80,000
- Paging System Upgrade		
Agency Fund	34,000	45,000
- Additional Paging Subsystem		
Agency Fund	30,000	85,000
- Additional Paging Subsystem		
Agency Fund	30,000	85,000
- Power Convertor Module		
Agency Fund	53,000	53,000
- Cache Disk Controller		
Agency Fund	105,000	105,000
- Cache Disk Controller		
Agency Fund	105,000	105,000
- Cache Disk Controller		
Agency Fund	105,000	105,000
- Cache Disk Controller		
Agency Fund	105,000	105,000
- Cache Disk Controller		
Agency Fund	105,000	105,000
- Hybrid Distributed System-Processor		
Agency Fund	255,000	255,000
- Hybrid Distributed System-Processor		
Agency Fund	255,000	255,000
- Hybrid Distributed System-Processor		
Agency Fund	255,000	255,000
- Hybrid Distributed System-Processor		
Agency Fund	255,000	255,000
- Hybrid Distributed System-Disk Controller		
Agency Fund	31,850	42,500
- Hybrid Distributed		

System-Disk Controller Agency Fund	31,850	42,500
- Hybrid Distributed System-Disk Drive Agency Fund	35,000	35,000
- Hybrid Distributed System-Disk Drive Agency Fund	35,000	35,000
- Hybrid Distributed System-Disk Drive Agency Fund	42,500	42,500
- Hybrid Distributed System-Communications Controller Agency Fund	45,000	45,000
- 3800 Printing Subsystem Upgrade Agency Fund	45,000	45,000
- Optical Disk Controller Agency Fund	25,000	25,000
- Optical Disk Drive Agency Fund	45,000	60,000
- Optical Disk Drive Agency Fund	45,000	60,000
- Optical Disk Drive Agency Fund	45,000	60,000
- Optical Disk Drive Agency Fund	45,000	60,000
- Optical Disk Drive Agency Fund	45,000	60,000
- Optical Disk Drive Agency Fund	45,000	60,000
- Tape Drive Controller Agency Fund	20,000	20,000
- Tape Drive Controller Agency Fund	20,000	20,000
- Tape Drive Controller Agency Fund	20,000	20,000
- Tape Drive Controller Agency Fund	20,000	20,000
- Tape Drive Controller Agency Fund	20,000	20,000
- Tape Drive Controller Agency Fund	20,000	20,000
- Tape Drive Controller Agency Fund	20,000	20,000
- Tape Drive Controller Agency Fund	20,000	20,000
- Tape Drive Controller Agency Fund	20,000	20,000
- Tape Drive Controller Agency Fund	20,000	20,000
- Tape Drive Controller Agency Fund	20,000	20,000
- Tape Drive Controller Agency Fund	20,000	20,000
- Tape Drive Controller Agency Fund	20,000	20,000
- Tape Drive Controller Agency Fund	20,000	20,000
- Tape Drive Controller		

Agency Fund	20,000	20,000
- Tape Drive Controller		
Agency Fund	20,000	20,000
- Tape Drive Controller		
Agency Fund	20,000	20,000
- Tape Drive Controller		
Agency Fund	20,000	20,000
- Telecommunications Controller Subsystem		
Agency Fund	97,000	97,000
- Telecommunications Controller Subsystem		
Agency Fund	97,000	97,000
- Upgrade Computer Processor Complex		
Agency Fund	1,219,000	1,219,000
- Optical Scanner		
Agency Fund	13,000	52,000
- Optical Scanner		
Agency Fund	13,000	52,000
- Shared Logic Processor		
Agency Fund	23,000	23,000
- Shared Logic Processor		
Agency Fund	23,000	23,000
- Shared Logic Processor		
Agency Fund	18,600	23,000
- Shared Logic Processor		
Agency Fund	18,600	23,000
- Shared Logic Processor		
Agency Fund	15,000	23,000
- Shared Logic Processor		
Agency Fund	15,000	23,000
- Shared Logic Processor		
Agency Fund	12,000	23,000
- Shared Logic Processor		
Agency Fund	12,000	23,000
- Shared Logic Processor		
Agency Fund	7,500	23,000
- Shared Logic Processor		
Agency Fund	7,500	23,000
- Distributed System-Disk Drive		
Agency Fund	21,200	42,500
- Distributed System-Disk Drive		
Agency Fund	17,500	35,000
- Distributed System-Disk Drive		
Agency Fund	17,500	35,000
- Distributed System-Communications Controller		

Agency Fund	22,500	45,000
- Distributed System-Disk Controller		
Agency Fund		45,000
- Distributed System-Disk Drive		
Agency Fund		45,000
- Distributed System-Disk Drive		
Agency Fund		35,000
- Distributed System-Disk Drive		
Agency Fund		35,000
- Distributed System-Disk Controller		
Agency Fund		45,000
- Distributed System-Disk Drive		
Agency Fund		45,000
- Distributed System-Disk Drive		
Agency Fund		35,000
- Distributed System-Disk Drive		
Agency Fund		35,000
- Distributed System-Communications Controller		
Agency Fund		45,000
- Distributed System-Communications Controller		
Agency Fund		45,000
- Office Automation Telecommunications Processor		
Agency Fund	11,500	23,000

F. HIGHER EDUCATION

For the major equipment purchases and capital construction projects displayed in this section as agency fund and federal fund supported projects, it is anticipated that the funds shall be transferred from the operating fund of each university at such time as funds are available and needed. The total project costs shown do not reflect additions to the operating fund appropriations.

1. Council on Higher Education		
a. Major Maintenance Fund		
Investment Income	1,500,000	1,000,000
2. Eastern Kentucky University		
a. Minor Projects		
Agency Fund	2,500,000	2,500,000
b. Microscopic System		
Agency Fund	85,000	
c. Geophysical System		
Agency Fund	65,000	
d. Gas Chromatograph/ Mass Spectrometer		
Agency Fund	85,000	
e. Thermal Analyzer		
Agency Fund	65,000	
f. Computer Numerical Control Tuning Center		

Agency Fund	95,000	
g. Energy Management System		
Agency Fund	500,000	
h. 2 Buses		
Agency Fund	175,000	175,000
i. Development of Fraternity Housing Building Sites		
Agency Fund	450,000	
j. Office Systems and Word Processing		
Agency Fund	300,000	500,000
k. Technovate Pneumatic Unit		
Agency Fund		63,000
l. Fire Training Water Pump System		
Agency Fund		120,000
m. Planetarium Electronic Control System		
Agency Fund	840,000	
n. Academic Computer Expansion		
Agency Fund		270,000
o. CAD System		
Agency Fund	85,000	
p. Library System		
Agency Fund	500,000	
q. Martin Hall Exterior Repairs		
Agency Fund	300,000	
r. Miscellaneous Campus Boiler Replacements		
Agency Fund	340,000	
s. Foster Music Building, HVAC/Window Replacement and Repair of Finishes		
Agency Fund	700,000	
t. Miscellaneous Chiller Replacements		
Agency Fund	1,915,000	
u. High-Rise Dormitory Sprinkler System		
Agency Fund	1,500,000	
v. Begley Building Elevator Installation		
Agency Fund	350,000	
w. Memorial Science Building		
Agency Fund	800,000	
x. Moore Science Building		
Agency Fund	450,000	
y. Case Hall		
Agency Fund		
z. Roark Building		
Agency Fund	500,000	

3. Kentucky State University		
a. Listening Laboratory		
Agency Fund	80,000	
b. Atwood Hall		
Agency Fund	4,500,000	
c. Mini-computer System		
Agency Fund	250,000	250,000

The following projects are a part of the Higher Education Desegregation Plan to enhance the physical facilities of Kentucky State University. Bond funds in the amount of $10,850,000 are hereby authorized for projects selected from this approved list. The additional projects enumerated are hereby authorized to be transferred from agency funds at such time as funds are available and needed. Projects identified here from the desegregation plan may be financed from either bond funds or agency funds upon determination by Kentucky State University, and the approval of the Council on Higher Education and the Secretary of the Finance and Administration Cabinet, the provisions of KRS 45.750-45.800. Projects funded from this bond issue shall be submitted to the Capital Construction and Equipment Purchase Oversight Committee for review under the provisions of KRS 45.750-45.800.

d. Hume Hall Renovation		
Agency Fund		
(1983-84-$1,800,000)		
e. Minor Renovations		
Agency Fund		
(1983-84-$200,000)		
f. Combs Hall Renovation	1,000,000	
g. Completion of Utilities Tunnel	4,500,000	
h. Carver Hall Renovation	2,000,000	
i. Bell Gymnasium Renovation	800,000	
j. Roads, Walkways, and Landscaping	750,000	
k. Hathaway Hall Renovation-Interior and Exterior Painting	80,000	
l. Minor Renovations - Academic Facilities	108,000	
m. Young Hall Renovations	2,605,100	
n. Bradford Hall Renovation	230,000	
o. Blazer Library and Annex Renovation	700,000	
p. Roads and Walkways - Hathaway Hall to Bell Gymnasium	125,000	
q. Conversion of Old Heating Plant to Welding Shop	225,000	
r. Health Center HVAC Upgrade	75,000	
s. Minor Renovations	215,000	
4. Morehead State University		
a. Industrial Robotics		
Agency Fund	75,000	75,000
b. Miscellaneous Maintenance		
Agency Fund	460,000	483,100
c. Environmental Control System		
Agency Fund	75,000	
d. Studio TV Camera		
Agency Fund	55,000	55,000
e. Video Tape Recorder		
Agency Fund	66,000	
f. Dishwasher		

Agency Fund	65,000	
g. Data Processing Work Station		
Agency Fund	50,000	
h. Prime 950 System		
Agency Fund		
(1983-84-$521,900)		
i. Computer Lease/Purchase		
Agency Fund	85,000	85,000
j. CAD System		
Agency Fund		60,000
k. Mays Hall Men's Dormitory		
Agency Fund	1,324,800	
l. Fields Hall Women's Dormitory		
Agency Fund	2,477,100	
m. Downing Hall		
Agency Fund	320,000	
n. Butler Hall		
Agency Fund	232,000	
o. Thompson Hall Womens' Dormitory		
Agency Fund	499,700	
5. Murray State University		
a. Central Pedestrian Walk-Phase II		
Agency Fund		
(1983-84-$264,000)		
b. Miscellaneous Campus Projects		
Agency Fund	500,000	400,000
c. Miscellaneous Housing and Dining Projects		
Agency Fund	600,000	400,000
d. Biological Station Housing		
Agency Fund	325,000	
e. Greenhouses		
Agency Fund	350,000	
f. Boy Scout Museum Renovations		
Agency Fund		
g. Computer Controlled Lathe		
Agency Fund	70,000	
h. Two Color Offset Press		
Agency Fund	150,000	
i. Bulldozer		
Agency Fund	5,000	
j. Front-End Loader		
Agency Fund	3,000	
k. Mass Spectrometer		
Agency Fund	150,000	
l. Gas Chromatograph/ Mass Spectrometer/ Liquid Chromatograph Unit		
Agency Fund	75,000	
m. Polarizing		

Microscope		
Agency Fund	52,000	
n. Micro Densitometer		
Agency Fund	62,000	
o. Miscellaneous Physical Plant Equipment		
Agency Fund	100,000	
p. Electrical Service Truck		
Agency Fund	60,000	
q. IBM 4341 Upgrade		
Agency Fund	190,000	
r. Graphic Design System		
Agency Fund	196,800	
s. Data Retrieval System		
Agency Fund	80,000	
t. PG-2 Plotter		
Agency Fund	66,400	
u. Graphics Memory		
Agency Fund	63,600	
v. Graphics/WCS System		
Agency Fund	50,200	
w. Scanning Electron Microscope		
Agency Fund		150,000
x. Old Fine Arts Building		
Agency Fund	3,625,000	
y. Wilson Hall		
Agency Fund		
z. Lovett Auditorium		
Agency Fund	2,025,000	
aa. Renovation of Space-Technology Programs		
Agency Fund	3,500,000	
6. Northern Kentucky University		
a. Parking Structure		
Bond Fund	2,900,000	
b. Master Plan Update		
Agency Fund	92,000	
c. University College Renovation		
Agency Fund	375,000	
d. Central Monitoring System Expansion		
Agency Fund		
e. Miscellaneous Projects		
Agency Fund		299,500
f. Information Word Processing		
Agency Fund	350,000	
g. Offset Press Replacement		
Agency Fund	55,000	
h. Microcomputers		
Agency Fund	80,000	
i. Heidelberg Offset Press		
Agency Fund	72,000	

j. Compugraphic Typesetting		
Agency Fund	60,000	
k. Applied Science/Technology Center Telephone Installation		
Agency Fund		455,000
l. Central Monitoring System Enhancement		
Agency Fund		223,000
m. Telecommunications Upgrade		
Agency Fund	550,000	
n. Science Building Lab Expansion		
Agency Fund		175,000
o. Corten Steel Roof Repairs - Library, Landrum Hall, Fine Arts Building, University Center, and Science Building		
Agency Fund	188,000	
p. Compliance with Elevator Codes - Nunn Hall Science Building, and Library		
Agency Fund	160,400	
q. University Center Roof Replacement		
Agency Fund	168,600	
r. Science Building Energy Conservation		
Agency Fund	180,000	
s. Nunn Hall Energy Conservation		
Agency Fund	180,000	
t. Health Center Installation of New Boiler		
Agency Fund	155,100	
u. Campus Roadway Development		
Agency Fund	1,427,000	
v. Nunn Drive Redesign/ Lighting		
Agency Fund	1,311,000	
w. Parking Lot/Roadway Lighting		
Agency Fund	315,000	
x. University Center Mechanical/Acoustical Improvements		
Agency Fund	186,900	
y. Recreation Facility Renovation		
Agency Fund	406,000	
7. University of Kentucky		
- Hospital Expansion - Phase I		
Agency Fund (1983-84-$2,275,000)		
- Hospital Expansion - Phase II		

Bond Fund	75,406,500	
- Hospital Expansion - Phase III		
Bond Fund		16,726,700
- Aquatics Center		
Agency Fund	5,000,000	
- Parking Structure #4		
Bond Fund	7,626,000	
- Dog Runs - Spindletop Farm Conditioning Facility		
Agency Fund	200,000	
- Self-Care Facility		
Bond Fund		4,000,000
Agency Fund		*3,692,000*
TOTAL		7,692,000
- Repairs to Roads and Sidewalks		
Agency Fund	156,000	
- Exterior Building Repairs		
Agency Fund	349,000	
- Road and Site Improvements		
Agency Fund	2,840,000	
- Waterproof Stadium		
Agency Fund	1,200,000	
- Medical Center HVAC Upgrading		
Agency Fund	155,000	350,000
- Upgrade Utilities		
Agency Fund	95,000	100,000
- Clinic Support Unit I Renovation		
Agency Fund	250,000	250,000
- Parking Structure #3 Expansion		
Agency Fund		4,360,000
- Renovation of Old Pharmacy Building		
Agency Fund		925,000
- Replacement of Floor/ Ceiling Tiles - Phase II		
Agency Fund		213,000
- Medical Sciences Research Labs		
Agency Fund		262,000
- House Staff Quarters - Phase II		
Agency Fund		500,000
- Medical Center Auditorium Renovation		
Agency Fund		225,000
- Center for the Arts - Storage Space		
Agency Fund		350,000
- Jefferson Community College Property Acquisition		
Agency Fund	950,000	

- Elizabethtown Community College Parking Lot and Lighting		
Agency Fund	290,000	
- Ashland Community College Parking Lot and Lighting		
Agency Fund	275,000	
- Paducah Science Lab Renovation		
Agency Fund	250,000	
- Madisonville Community College Classroom Renovation		
Agency Fund		250,000
- Renovation of Hood Exhaust System - Research Building #3		
Agency Fund	500,000	
- Roof Repairs - Phase I		
Agency Fund	436,000	
- Clinical Lab Mass Spectrometer		
Agency Fund	110,000	
- Hospital Administration Computer		
Agency Fund	1,200,000	
- Television Tape Recorders		
Agency Fund		
- Word Processing System		
Agency Fund	110,000	
- Chancellor Mini-computer		
Agency Fund	140,000	
- Dentistry Mini-computer		
Agency Fund	150,000	
- Diagnostic Radiology Fluroscope		
Agency Fund	90,000	
- Agriculture Controlled Environment		
Agency Fund	50,000	
- Diagnostic Radiology Tomography Generator/Transformer		
Agency Fund	69,000	
- Diagnostic Radiology Fluroscopy C-Arm Unit		
Agency Fund	80,000	
- Clinical Lab Coulter S Plus		
Agency Fund	80,000	
- Bechman Edman Sequencer		
Agency Fund	86,000	
- Computerized ECG Equipment		
Agency Fund	250,000	

- Medical Records Mini-computer		
Agency Fund	200,000	
- Geology Logitech Automatic Thin Section Cutting Machine		
Agency Fund	50,000	
- Infared Spectrometer		
Agency Fund	73,000	
- Instructional Resources Remote Television		
Agency Fund		
- Digilab Spectrometer		
Agency Fund	122,100	
- Metallurgy Scanning Transmission Electronic Microscope		
Federal Fund	350,000	
Agency Fund	*350,000*	
TOTAL	700,000	
- Diagnostic Radiology Chest Digital Substraction Angiography		
Agency Fund	400,000	
- Radiation Medicine Unit		
Agency Fund	550,000	
- Closed Loop Hydrolic System		
Agency Fund		
- Solid Phase Peptide Sequencer		
Agency Fund	150,000	
- Nuclear Medicine Camera Replacement		
Agency Fund	150,000	
- Radiation Medicine Superficial Unit		
Agency Fund	80,000	
- Anatomy 100 CX Scanning Transmission Microscope		
Agency Fund	300,000	
- Nuclear Magnetic Resonance Equipment		
Agency Fund	600,000	
- Coal Front Loader		
Agency Fund	100,000	
- Metallurgy Vacuum Chamber Sorption Pump/Ion Pump Assembly		
Agency Fund		
- Documail Sorting System		
Agency Fund	120,000	
- Controlled Environment Room Equipment		
Agency Fund	50,000	50,000

- Diagnostic Radiology Urographic Unit Replacement	
Agency Fund	150,000
- Plasma Emission Spectrograph	
Agency Fund	75,000
- THRI High Resolution Mass Spectrograph	
Agency Fund	
- Thermovision System	
Agency Fund	
- Liquid Chromatograph	
Federal Fund	25,000
Agency Fund	*125,000*
TOTAL	150,000
- Gas Chromatograph /Mass Spectrograph	
- Fine Arts Sound System	
Agency Fund	75,000
- High Speed Duplicator	
Agency Fund	57,300
- GC High Mass/ Resolution Spectrometer	
Agency Fund	650,000
- Gradient High Performance Liquid Chromatograph	
Agency Fund	51,000
- Perfecting Print Press	
Agency Fund	60,000
- THRI Scanning Electron Microscope	
Agency Fund	
- High Pressure Liquid Chromatography	
Federal Fund	26,500
Agency Fund	*26,500*
TOTAL	53,000
- Backhoe	
Agency Fund	65,000
- Metallurgy Microstructure Image Analysis	
Agency Fund	
- Digital Lab	
Agency Fund	54,100
- Stiff Testing Machine	
Agency Fund	200,000
- Switching System	
Agency Fund	84,800
- Fourier Transformer Spectrometer	
Agency Fund	
- Metallurgy Surface Analysis System	
Agency Fund	100,000
- Metallurgy Orr	

Surface Area Analyzer	Agency	70,000
- Metallurgy Electron Beam Furnace	Agency Fund	70,000
- Pediatric Echocardiograph	Agency	85,000
- Metallurgy Mettler Electronic Balance	Agency Fund	60,000
- Metallurgy Scanning Transmission Electron Microscope	Agency Fund	
- Wenner Gren Ultrasonic Image Analysis	Agency Fund	
- Medical Center Incinerator Replacement	Agency Fund	250,000
- Metallurgy X-Ray Diffractometer	Agency Fund	
- Delta 2000 Energy Management Computer System	Agency Fund	100,000
- THRI Image Analysis System	Agency Fund	
- Sechrist Monoplace Hyper-band System	Agency Fund	70,000
- Stores Inventory System	Agency Fund	
- Auxiliary Services Time/Attendance Recording System	Agency Fund	
- Auxiliary Services Access Identification System	Agency Fund	
- Student Records Mini-computer	Agency Fund	
- Computer Science Graphics Laboratory	Agency Fund	
- Journalism Editing/ Typeset Equipment	Agency Fund	
- Phototypesetter/Word		

Processor		
Agency Fund		
- Computer Disk Storage		
Agency Fund	136,900	
- DEC PDP 11/34 Computer		
Agency Fund		
- Pharmacy Mini-computer		
Agency Fund	165,000	
- Civil Mining Engineering Computer		
Agency Fund		
- Engineering Micro Program Computer		
Agency Fund		
- Patient Care Charge System		
Agency Fund	80,000	
- Computer Disk Storage Unit		
Agency Fund	136,900	
- Energy Management System		
Agency Fund	4,300,000	
- Order Entry System		
Agency Fund		500,000
- Clinical Analyzer		
Agency Fund		140,000
- Arts/Science Computer System		
Agency Fund		250,000
- Laser Flurometer		
Agency Fund		125,000
- Pharmacy Mini-computer		
Agency Fund		140,000
- Astra 4 Clinical Analyzer		
Agency Fund		60,000
- Clinical Lab Bactec 5 Unit		
Agency Fund		59,000
- Physics Ng-Yag Laser		
Agency Fund		75,000
- Physics Vacuum Evaporator		
Agency Fund		51,000
- Physics Microprobe		
Agency Fund		300,000
- Digital Subtraction Agiology		
Agency Fund		740,000
- Medical Liquid Scintillation Counter		
Federal Fund		26,000
Agency Fund		*26,000*
TOTAL		52,000

- Laser Doppler Anaometer	
Agency Fund	160,000
- Electron Microscope	
Agency Fund	85,000
- OBGYN Image Analysis System	
Agency Fund	165,000
- Chemistry FAB Ion Source	
Agency Fund	50,000
- 20-Ton Dump Truck	
Agency Fund	70,000
- Transmission Electron Microscope	
Agency Fund	75,000
- Biplane/Angiograph Replacement	
Agency Fund	580,000
- Van De Graaff Accelerator Upgrade	
Agency Fund	450,000
- Medical Center Diet Conveyor Replacement	
Agency Fund	475,000
- Hypothermia Unit	
Agency Fund	250,000
- DNA Synthesizer	
Federal Fund	30,000
Agency Fund	*30,000*
TOTAL	60,000
- Geology Micro Mass Spectrometer	
Agency Fund	90,000
- Argon Ion Laser	
Agency Fund	85,000
- Geology Plasma Source Spectrometer	
Agency Fund	60,000
- VUH Photoelectron Spectrometer	
Agency Fund	80,000
- Field Ion Source	
Agency Fund	60,000
- Multi-nuclear NMR System	
Agency Fund	400,000
- Geology Electromagnetic Probe	
Agency Fund	55,000
- Quanta Ray Ng-Yag Laser	
Agency Fund	65,900
- Material Testing	
Agency Fund	75,000
- Road Rater	
Agency Fund	60,000
- Acoustic Emission Monitor	
Agency Fund	50,000
- Nursing Mini-computer	
Agency Fund	140,000

- Psychology/Anthropology Computer System		
Agency Fund		100,000
- Biology/Geology Computer System		
Agency Fund		50,000
- Prime CPU Upgrade		
Agency Fund		
(1983-84-$425,000)		
- Central System Upgrade		--
Agency Fund		595,000
- Data Communications Network		
Agency Fund	300,000	300,000
- Community College Mini-computer		
Agency Fund	375,000	275,000
- Chemistry/Physics VAX 11/780 Computer		
Agency Fund	125,000	
- CAD/CAM System		
Agency Fund	167,000	
- Library Auto Circulation		
Agency Fund		
- Engineering Research Computer		
Agency Fund	200,000	
- PDP 11 Graphics		
Agency Fund	53,000	
- Biology Graphics Lab		
Agency Fund		
- Disk Storage		
Agency Fund		120,000
- Agriculture Mini-Computer		
Agency Fund		
- Arts/Sciences Graphics Lab		
Agency Fund		365,000
- ESR Data Acquisition		
Agency Fund		50,000
- Miscellaneous Fire Safety Projects		
Agency Fund	796,600	
- Fire Safety Project-Medical Center Dental Wing		
Agency Fund	288,800	
- Fire Safety Project-Medical Center Medical Science Wing		
Agency Fund	921,000	
- Fire Safety Project-Student Union Center		
Agency Fund	665,000	
- Fire Safety Project-Patterson Office Tower		

Agency Fund	589,400	
- Fire Safety Project-Pence Hall		
Agency Fund	192,500	
- Fire Safety Project-Kastle Hall		
Agency Fund	192,500	
- Central Heating Plant - Replace Metal Smoke Stacks		
Agency Fund	200,000	
- Steam Line from Steam Plant to Hospital		
Agency Fund	190,000	
- Medical Sciences Building - Replacement of 4 Elevators		
Agency Fund	500,000	
- Hospital Reheat Piping Replacement (Phase II)		
Agency Fund	200,000	
- Medical Sciences/Dental Wing Replacement of Emergency Generator and Related Equipment		
Agency Fund	300,000	
- Renovate Fume Hood System (Phase II)		
Agency Fund	600,000	
- Medical Center Sinage		
Agency Fund	250,000	
- Mining and Minerals Resources Building		
Bond Fund		
- Parking Structure #3 (Parking/North Hospital)		
Bond Fund		
- McVey Hall Renovation		
Agency Fund		
- Journalism Building Renovation		
Agency Fund		
- Funkhouser Phase II Renovation		
Agency Fund		
8. University of Louisville		
a. Information Center		
Agency Fund	300,000	
b. Computer Aided Engineering Facility		
Agency Fund		3,200,000
c. Miscellaneous Renovation		

Projects		
Agency Fund		1,500,000
d. IBM 4341 Additional Memory		
Agency Fund	100,000	130,000
e. Network Analyzer		
Agency Fund	78,000	
f. Polymer/Lab Computer Testing		
Agency Fund	150,000	
g. Computerized Gas Chromatograph/ Mass Spectrometer		
Agency Fund	250,000	
h. TEMSCAN Electron Microscope		
Agency Fund	200,000	
i. Electron Microscope		
Agency Fund	225,000	
j. Ultracentrifuge		
Agency Fund	50,000	
k. Laser Flow Cytometer		
Agency Fund	150,000	
l. Automated X-Ray Difractometer		
Agency Fund	135,000	
m. Wave Length Dispersive X-Ray		
Agency Fund	55,000	
n. Variable Frequency Laser		
Agency Fund	61,100	
o. Video Broadcast Instruction System		
Agency Fund	50,000	
p. Language Lab System		
Agency Fund	55,000	
q. Video Tape Recorder Replacement		
Agency Fund	110,000	
r. Offset Printing Press		
Agency Fund	65,000	
s. Wang Word Processing Upgrade		
Agency Fund	79,200	
t. Ultracentrifuge and Rotors		
Agency Fund	57,000	
u. Amino Acid Analyzer		
Agency Fund	89,000	
v. DNA Synthesizer		
Agency Fund	55,000	
w. Protein/Peptide Sequencer		
Agency Fund	94,900	
x. Telecommunications System		
Agency Fund	2,300,000	
y. Assembly Robot		
Agency Fund		110,000
z. Industrial Robot		
Agency Fund		125,000
aa. Testing Systems Material		

Lab		
Agency Fund		200,000
bb. Microcomputer Language System		
Agency Fund		250,000
cc. Protein Sequencer		
Agency Fund		100,000
dd. DNA Synthesizer		
Agency Fund		100,000
ee. Spectrophotometer		
Agency Fund		58,000
ff. Magnetic Spectrometer		
Agency Fund		74,500
gg. Master Control System Industry Study		
Agency Fund		60,000
hh. TV Camera Replacements (4)		
Agency Fund		280,000
ii. Computer Microfiche		
Agency Fund		130,000
jj. Omnibinder		
Agency Fund		75,000
kk. Offset Printing Press		
Agency Fund		150,000
ll. Auto Buckle Folder		
Agency Fund		50,000
mm. Mini-computer 17" Offset Printing Press		
Agency Fund		125,000
nn. Academic Computer		
Agency Fund	1,560,000	
oo. Speed School Graphics/ Mini-computer		
Agency Fund	150,000	
pp. Library System		
Agency Fund	410,000	
qq. DEC PDP II Computer		
Agency Fund	55,000	
rr. Graphics System		
Agency Fund	50,000	
ss. Speed School Computer		
Agency Fund		350,000
tt. Disk Storage		
Agency Fund		120,000
uu. Programming Language System		250,000
vv. DEC P11/23 Support Hardware		
Agency Fund		80,000
ww. Campus North Entrance Improvements		
Agency Fund	500,000	
xx. Myers Hall		
Agency Fund	400,000	
yy. Reynolds Building		
Agency Fund	3,300,000	
zz. Systems Building		
Agency Fund	430,000	
aaa. Schneidier Hall		
Agency Fund	500,000	
bbb. Laura Kersey Library Renovation/Addition		

Agency Fund	1,100,000	
ccc. K, C, and G Buildings (Old General Hospital)		
Agency Fund	200,000	
ddd. Brook Street Buildings Renovation Project		
Agency Fund	2,000,000	
eee. Natural Science Building Renovation		
Bond Fund	320,000	
9. Western Kentucky University		
a. Library Shelving		
Agency Fund	48,000	
b. Garbage Truck		
Agency Fund	70,000	
c. Spectrometer		
Agency Fund	102,300	
d. TV Equipment		
Agency Fund	450,000	
e. TV Satellite Uplink		
Agency Fund		140,000
f. GC/Mass Spectrometer		
Agency Fund		100,000
g. Electron Microscope		
Agency Fund		100,000
h. Exhibition Hall Renovation		
Agency Fund		225,000
i. Deferred Maintenance Projects		
Agency Fund		250,000
j. Energy Conservation Alterations		
Agency Fund		300,000
k. Interactive Computer		
Agency Fund	623,000	
l. Optical Character Reader		
Agency Fund		75,000
m. Fire Safety Projects		
Agency Fund	1,875,000	
n. Ivan Wilson Center for Fine Arts-Humidity Control		
Agency Fund	225,000	
o. Helm-Cravens Library Humidity Control		
Agency Fund	210,000	
p. Utility Distribution and HVAC Systems, Initiate Repair and Replacement of Underground Services		
Agency Fund	200,000	
q. L.T. Smith Stadium Track Repair and Remodeling		
Agency Fund	250,000	
r. Thompson Complex, N.W. Laboratory Renovation		
Agency Fund	12,500	
s. Dairy Barn Renovation		
Agency Fund	235,000	

t. Snell Hall		
Agency Fund	1,100,000	

G. DEPARTMENT FOR HUMAN RESOURCES

1. Department for Health Services		
a. Miscellaneous Projects		
Investment Income	200,000	200,000
b. Central State Hospital Replacement Facility		
Bond Fund (1983-84-$3,426,000)		
2. Department for Social Services		
a. Miscellaneous Projects		
Investment Income	125,000	125,000
b. Lake Cumberland Boys Camp-Renovation of Dormitory and Restroom Facilities		
Investment Income		270,000
c. Juvenile Code Renovation		
General Fund		
3. Executive Policy Support		
a. Miscellaneous Projects		
Investment Income	250,000	250,000

H. JUSTICE

For the major equipment purchases displayed in this section as agency fund supported projects, it is anticipated that the funds shall be transferred from the operating fund at such time as funds are available and needed. The total project costs shown do not reflect additions to the operating fund appropriations.

1. State Police		
a. Gas Chromatograph/Mass Spectrometer		
Investment Income	330,000	
b. Energy Dispersive X-Ray Analysis		
Investment Income	160,000	
c. Minor Project Fund		
Investment Income	100,000	100,000
d. X-Ray Diffraction Apparatus		
Agency Fund		120,000
e. Gas Chromatograph/Mass Spectrometer		
Agency Fund		250,000
f. Wave Length Dispersive X-Ray System		
Agency Fund		90,000

I. MILITARY AFFAIRS

1. Major Maintenance and Repairs		
Investment Income	750,000	750,000
Federal Fund	*26,400*	*26,500*
TOTAL	776,400	776,500
2. Sikorsky S-76 Lease/Rental		
Investment Income	394,800	394,800
3. Jackson Armory		
Investment Income		
Federal Fund		
4. Hazard Armory		

Investment Income	100,000	
5. Ashland Organizational Maintenance Shop		
Investment Income	27,000	
Federal Fund	*112,100*	
TOTAL	139,100	
6. Maintenance of Helicopters		
Investment Income	65,000	35,000

J. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

1. State-Owned Dam Repair		
Investment Income		

The above appropriation shall not be used to repair dams owned by the Department of Fish and Wildlife Resources.

2. Small Remediation Tasks		
Investment Income	125,000	140,000

The above appropriation shall not be used to match federal funds received for experimental projects at Maxey Flats not directly related to the decommissioning of the site.

3. Heavy Equipment-Compactor/Roller		
Investment Income	89,000	
4. Heavy Equipment-Grader		
Investment Income		125,000
5. Kentucky Abandoned Lands-Reclamation Program		
Federal Fund	35,000,000	40,000,000

K. TOURISM

For the major equipment purchases and capital construction projects displayed in this section as agency fund and federal fund supported projects, it is anticipated that the funds shall be transferred from the operating fund at such time as funds are available and needed. The total project costs shown do not reflect additions to the operating fund appropriations.

1. Parks		
a. Miscellaneous Major Maintenance		
Investment Income	3,000,000	3,000,000
2. Kentucky Horse Park		
a. Miscellaneous Major Maintenance		
Investment Income	150,000	150,000
3. Fish and Wildlife Resources		
a. Land Acquisition		
Federal Fund	1,800,000	1,575,000
Agency Fund	*600,000*	*525,000*
TOTAL	2,400,000	2,100,000
b. Dam Maintenance		
Agency Fund	1,500,000	1,500,000
c. Road Grader		
Federal Fund		75,000
Agency Fund		*25,000*
TOTAL		100,000
d. Bulldozer		
Federal Fund	105,000	
Agency Fund	*35,000*	
TOTAL	140,000	
4. State Fair Board		
a. Major Maintenance, Renovation, and Repair Projects		

under $200,000		
Agency Fund	500,000	750,000
b. Waterproof Stadium, Coliseum, and East and West Wings		
Agency Fund	250,000	
c. Roof Coating for Coliseum and East and West Wings		
Bond Fund	750,000	
d. Boom Truck		
Agency Fund	75,000	

L. TRANSPORTATION

For the capital construction projects displayed in this section as Road Fund supported projects, it is anticipated that the funds shall be transferred from the operating fund at such time as funds are available and needed. The total project costs shown do not reflect additions to the operating fund appropriations.

1. Various Projects		
Road Fund	150,000	450,000
2. Woodford County Maintenance Facility		
Road Fund	300,000	

In the event that any authorized capital construction and/or equipment purchase projects are cancelled it is the intent of the General Assembly that any appropriated debt service for those same projects shall remain unallotted and lapse to the credit of the General Fund. Those projects set forth under the sub-heading "higher education" are subject to the action and approval of the Council on Higher Education and subject to approval of the Finance and Administration Cabinet. The provisions of KRS 45.750 through 45.990 notwithstanding, it is the intent of the General Assembly that capital construction projects at institution of higher education involving no state or federal funds, may be authorized between Regular Sessions of the General Assembly, providing that such projects receive prior approval from both the Council on Higher Education and the Secretary of the Finance and Administration Cabinet, and that the Capital Construction and Equipment Purchase Oversight Committee receives prior notification.

Notwithstanding the provisions of KRS 45.770, the Capital Construction and Equipment Purchase Contingency Fund may be used to advance funds to projects authorized to be financed by bonds and may be used to finance feasibility studies for projects which may be contemplated for future funding. Roof repair or replacement projects shall be eligible for Emergency Repair, Maintenance, and Replacement Fund allotments, subject to the provisions of KRS 45.780.

Included in the above appropriation is an Economic Development bond authorization of $25 million for fiscal year 1985-86. Before any economic development bonds are issued, the proposed bond issue and the proposed project shall be approved by the Secretary of the Finance and Administration Cabinet and submitted to the Capital Construction and Equipment Purchase Oversight Subcommittee for review under the provisions of KRS 45.750-45.800.

Inasmuch as the identification of specific projects in a variety of areas of the State Government cannot be ascertained with absolute certainty at this time, it is the purpose and intent of the General Assembly, the provisions of KRS 45.750 through 45.990 notwithstanding, to appropriate amounts for specific purposes to projects which are not individually identified herein in the following areas: Repair of State-Owned Dams, Economic Development Projects, Handicapped Access, and Fire and Life Safety projects. Any such projects estimated to cost over $200,000 and equipment estimated to cost over $50,000 shall be reported to the Capital Construction and Equipment Purchase Oversight Subcommittee.

All monies transferred to the Finance and Administration Cabinet for capital construction from any appropriations, including income from investments, shall be expended, accounted for, and otherwise treated in the same manner as funds appropriated directly to the Finance and Administration Cabinet for capital construction.

PART VI
GENERAL PROVISIONS

1. Except as otherwise explicitly authorized by this Act, nothing in this Act shall be construed to repeal any appropriation made hereinbefore or hereinafter for the fiscal year ending June 30, 1984, and nothing in this Act is to be construed as amending or altering the provisions of Chapters 42, 45, and 48 of the Kentucky Revised Statutes pertaining to the duties and powers of the Secretary of the Finance and Administration Cabinet. All questions that arise in interpreting any appropriation in this Act as to the

purpose or manner for which such appropriation may be expended shall be decided by the Secretary of the Finance and Administration Cabinet in pursuant to KRS 48.500 and the decision of the Secretary of the Finance and Administration Cabinet shall be final and conclusive.

2. In enacting this Appropriation Act, it is the deliberate intention of the General Assembly to enact each section, and each subsection thereof as a separate and/or specific appropriation and law, and if any section, any subsection, or any provision thereof shall be held invalid or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions contained herein.

3. The Secretary of the Finance and Administration Cabinet is authorized to establish a system or formula or a combination of both for pro-rating the administrative costs of the Finance and Administration Cabinet, and the Departments of Treasury and Law relative to the administration of programs in which there is joint participation by the State and Federal Governments for the purpose of receiving the maximum amount of participation permitted under the appropriate Federal laws and regulations governing such programs.

4. All continuing appropriations in existence at the time this Act takes effect are discontinued and repealed by this Act, notwithstanding any provisions of the Kentucky Revised Statutes to the contrary, except as provided by Chapters 12, 42, 56, 152, 177 and 341 of the Kentucky Revised Statutes. All laws and portions of laws in conflict with any of the provisions of this Section, to the extent of such conflict, are hereby repealed.

5. No state agency, cabinet, department, office, or program shall incur any obligation against the General Fund appropriations contained herein unless such obligation may be reasonably determined to have been contemplated in the enacted budget and is supported by appropriate work papers and other records pertaining thereto.

6. Any General Fund appropriation made herein in anticipation of a lack, loss, or reduction of Federal grants shall lapse to the General Fund to the extent such Federal funds otherwise become available.

7. Whereas, inasmuch as the finances of the Commonwealth cannot be ascertained with absolute certainty at this time, and since the actual needs of each officer, cabinet, department, board, commission, institution, agency, or other activity or subdivisions of state government can only be anticipated and not finally determined by the General Assembly, and since the total amount of revenue accruing to the General Fund and to the Road Fund and accruing from various fees or from Federal funds from which appropriations are made can only be anticipated as being produced through existing laws and those that may hereafter be enacted, and recognizing the complex nature of the economy, it is the purpose and intention of this Act that the expenditures for each fiscal year shall not exceed the total financial resources accruing to any Fund, as defined in KRS Chapter 45, for the same fiscal year. As the conditions cannot be fully determined until after the adjournment of the 1984 General Assembly, and as the needs of each officer, cabinet, department, board, agency, commission, institution, subdivision, or activity of state government, together with the total financial resources accruing to the General Fund and the Road Fund cannot be fully determined at this time, it is the intention and purpose of this General Assembly that the Secretary of the Finance and Administration Cabinet, with the advice of the Secretary of the Revenue Cabinet, upon approval of the Governor of the Commonwealth, is authorized, empowered, and directed to ascertain and determine the needs of each officer, cabinet, department, board, commission, institution, subdivision, agency, or other activity of state government and to ascertain the total financial resources anticipated to be accrued to the General Fund and the Road Fund of the Commonwealth, and upon the ascertainment and determination of said facts, he, the Secretary of the Finance and Administration Cabinet, in the manner set forth as provided by general law, is authorized, empowered, and directed by the General Assembly to prevent an overdraft or deficit in any fiscal year for which appropriations are herein made, by equitably reducing pursuant to KRS 48.130 and KRS 48.600, according to needs, without discrimination, the appropriations herein made from the General Fund and Road Fund to each officer, cabinet, department, board, commission, institution, subdivision, agency, or other activity in state government, provided, however, that the power invested shall not permit any reduction of the appropriations of any officer, cabinet, department, board, commission, institution, subdivision, agency, or other activity of state government that will actually impair the necessary constitutional functions of such agency or activity, the operations and functions of which are determined to be necessary constitutional functions of state government.

8. The Secretary of the Finance and Administration Cabinet shall cause the Governor's Office for Policy and Management, within forty-five days upon adjournment of the 1984 General Assembly, to prepare a final budget document based upon the Executive Budget proposal as enacted by the 1984 General Assembly as well as other acts which provide appropriations for the 1984-86 biennium and based upon supporting documentation and legislative records as considered by the 1984 General Assembly. This document shall include for each agency and budget unit a consolidated budget summary statement of available regular and continuing appropriated revenue by fund source, corresponding appropriation allocations by program or subprogram as appropriate, budget expenditures by principal budget class and such other fiscal data and commentary considered necessary by the Governor's Office for Policy and Management

for budget execution and oversight. The enacted budget document and any adjustments thereto approved by the Governor's Office for Policy and Management and any supporting documents shall be communicated to the Interim Joint Appropriations and Revenue Committee on a regular basis.

9. In the event that any authorized capital construction and/or equipment purchase projects are cancelled it is the intent of the General Assembly that any appropriated debt service for those same projects shall remain unallotted and lapse to the credit of the General Fund.

10. Notwithstanding KRS 143.090, it is the intent of the General Assembly that the Secretary of the Transportation Cabinet shall use Road Fund resources to meet the lease rental payments to the Kentucky Turnpike Authority for Resource Recovery Road projects in the amount certified by the Secretary of the Transportation Cabinet. However, in the event that Road Fund resources are not sufficient to meet lease rental payments, the additional amount required for meeting lease rental payments as certified by the Secretary of the Transportation Cabinet under KRS 143.090 shall be transferred from coal severance tax receipts to cover the obligation.

11. The General Assembly recognizes that during fiscal year 1982-83 and fiscal year 1983-84, the General Fund revenues of the Commonwealth were less than the estimates upon which appropriations for those fiscal years were made by Part I, Chapter 398, of the 1982 Acts of the General Assembly. The General Assembly acknowledges that as a result of shortfalls in the revenues during the biennium for which funds were appropriated by the 1982 General Assembly the Secretary of Finance as directed by Paragraph 8, Part VI, Chapter 398, of the 1982 Acts of the General Assembly took action to prevent an overdraft or deficit in the finances of the Commonwealth through the reduction of appropriations made by PART I, Chapter 398, of the 1982 Acts of the General Assembly, and by various other actions, all as set forth in and provided by Orders 83-325 and 84-160 of the Secretary of Finance and Administration, which Orders are permanent records of the Commonwealth, on file in the Governor's Office for Policy and Management.

It is the intent of the General Assembly herein to ratify and confirm the appropriation levels appearing in Orders 83-325 and 84-160 of the Secretary of Finance and Administration as the General Fund appropriations for fiscal year 1982-83 and fiscal year 1983-84, respectively, for the offices, boards, commissions, institutions, subdivisions and agencies of the Government of the Commonwealth of Kentucky, except so much thereof as relates to the appropriation to the Local Government Economic Assistance Fund for fiscal year 1983-84, which sum shall be determined as provided by KRS 45.450; it is the further intent of the General Assembly herein, the provisions of any other law of the Commonwealth to the contrary notwithstanding, to ratify and confirm the advances, transfers and lapsing to the General Fund of all non-General Fund monies as identified in said Orders 83-325 and 84-160 of the Secretary of the Finance and Administration, and to that end, the General Assembly hereby expressly ratifies, adopts, and enacts the appropriation levels contained in said Orders 83-325 and 84-160, including those provided for the Foundation Program as set forth and contained in KRS Chapters 157 and 157A and in Chapter 398 of the 1982 Acts of the General Assembly, as the appropriations for the offices, boards, commissions, institutions, subdivisions, and agencies of the Government of the Commonwealth for fiscal year 1982-83 and fiscal year 1983-84, and to the extent in conflict therewith the appropriation levels set forth in Part I, Chapter 398 of the 1982 Acts of the General Assembly shall be read as conforming to the levels of appropriation hereby enacted.

12. Pursuant to KRS 48.140, there is hereby established a surplus expenditure plan for the Executive Branch of government for fiscal year 1984-85 and fiscal year 1985-86. This plan is for the expenditure of excess General Fund and Road Fund tax receipts above the General Fund and Road Fund estimates upon which the Executive Branch Budget is recommended.

A Surplus Reserve Trust Fund is hereby established. In the event General Fund tax receipts exceed the official estimates in fiscal year 1984-85 and/or in fiscal year 1985-86 by an amount not greater than two and one-half percent (2.5 percent) of the estimate, the Surplus Reserve Trust Fund shall be appropriated 97.0 percent of the General Fund excess amount in fiscal year 1984-85, and shall be appropriated 97.1 percent of the General Fund excess amount in fiscal year 1985-86.

The Surplus Reserve Trust Fund shall be used in the event actual General Fund receipts during the 1984-85 fiscal year or the 1985-86 fiscal year are not sufficient to meet the General Fund appropriation levels authorized in this Act.

All allotments and expenditures from the Surplus Reserve Trust Fund are to be approved by the Governor of the Commonwealth upon the recommendation of the State Budget Director. No allotment or expenditure from the Surplus Reserve Trust Fund may be made prior to notification of such allotment or expenditure to the Interim Joint Committee on Appropriations and Revenue. In no event, however, shall such allotment or expenditure to any budget unit result in a General Fund expenditure level greater than any appropriation elsewhere in this Act. In addition, allotments from the Surplus Reserve Trust Fund may also be made for expenditures deemed to be Necessary Government Expenses.

In the event the Road Fund tax receipts exceed the estimates, any excess receipts up to two and one-half percent (2.5 percent), are hereby appropriated to the Road Fund for inclusion in the Transportation Cabinet's annual budget and subject to the annual budget process contained in Part IV, Road Fund.

13. Whereas funds are recommended for appropriation for the operation, maintenance, and

support of the Executive Branch of the government of the Commonwealth for fiscal year 1984-85 based on a General Fund revenue estimate of $2,588,640,000 and a Road Fund estimate a $462,550,000; and,

Whereas funds are recommended for appropriation for the operation, maintenance, and support of the Executive Branch of the government of the Commonwealth for fiscal year 1985-86 based on a General Fund revenue estimate of $2,881,780,000 and a Road Fund estimate of $475,300,000; and

Whereas the General Fund monies recommended for appropriation for the Executive Branch of the government represent 97.0 percent of the total revenue estimate for fiscal year 1984-85 and 97.1 percent of the total revenue estimate for fiscal year 1985-86, across the board cutback of the budget reduction plan shall be based pursuant to KRS 48.130 on an aggregate 8.9 percent in fiscal year 1984-85 and an aggregate across the board cutback of 9.2 percent in fiscal year 1985-86 after having exempted the following agencies for either constitutional reasons or policy purposes.

Pursuant to KRS 48.130, there is hereby established a budget reduction plan for the executive branch of government for fiscal year 1984-85 and fiscal year 1985-86. This plan shall be for reduction in the respective budget recommendations for the various Executive Branch agencies of state government when projected tax receipts accruing to the General Fund and/or the Road Fund are at least 2 1/2 percent but not more than 5 percent less than the revenue estimates for these funds as determined by the official revenue estimate of the Secretary of the Revenue Cabinet of January 19, 1984, and amended by his January 23, 1984, correspondence.

For constitutional reasons, the following appropriation units of the Executive Branch of state government are exempted from the budget reductions: Lieutenant Governor, Secretary of State, Board of Elections, Treasurer, Department of Law, Auditor of Public Accounts, County Costs, General Obligation Bonds, Unified Prosecutorial System, and Miscellaneous Appropriations.

For policy purposes, because of the fixed cost debt service payments included within a number of the Executive Branch budget units, debt service appropriations are exempted from the budget reduction plan.

In addition, the following appropriation units of state government are exempted by gubernatorial policy determination because of the essential services provided by these units: the Department of Education's School Foundation Program, and the Department of Education's Power Equalization Program.

All other appropriation units and areas of state government will be subject to the budget reduction plan and will be subjected to the across-the-board percentage cutback as indicated in this Part of the Executive Branch Appropriations Bill.

HB 475, AN ACT making appropriations for the operations, maintenance, support and functioning of the legislative branch of the government of the Commonwealth of Kentucky and its various officers, boards, commissions, subdivisions, and other state supported activities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART I
GENERAL FUND

There is appropriated to the Legislative Research Commission out of the General Expenditure Fund for the fiscal year beginning July 1, 1984 and ending June 30, 1985; and for the fiscal year beginning July 1, 1985 and ending June 30, 1986 to be used for the purposes of the legislative branch of government of the Commonwealth of Kentucky including, but not limited to, the legislative sessions, interim committees, monthly expense allowance, Legislative Research Commission, legislative interns, electronic data processing, and facilities improvement:

1. Legislative Research Commission	1984-85	1985-86
a. To the Legislative Research Commission, for legislative operations and administration	$14,019,900	$17,210,400

The specific allocation of these funds shall be made by the director of the Legislative Research Commission at the direction of the Legislative Research Commission.

2. Board of Ethics	$ 15,000	$ 18,000
Total - legislative branch	$14,034,900	$17,238,400

PART II
TRUST AND AGENCY FUNDS

There is hereby appropriated to the Legislative Research Commission for the fiscal year beginning July 1, 1984 and ending June 30, 1985, and for fiscal year July 1, 1985 and ending June 30, 1986, all receipts of the Legislative Research Commission not otherwise disposed by law, and any unexpended balance remaining in the Legislative Research Commission's existing trust and agency accounts at the close of the fiscal years ending June 30, 1985 and June 30, 1986.

In the event the Legislative Research Commission receives receipts in excess of the amounts appropriated herein, the director of the Legislative Research Commission at the direction of the Legislative Research Commission may authorize the credit and expenditure of such trust and revolving or agency funds receipts for statutory purposes. The director of the Legislative Research Commission shall notify on a timely basis the Legislative Research Commission of the most current estimates of anticipated receipts for the affected fiscal year and an accompanying statement which explains such variations from the anticipated amount.

	1984-85	1985-86
Legislative Research Commission	$100,000	$100,000

PART III
FEDERAL FUNDS

There is appropriated to the Legislative Research Commission for the fiscal year beginning July 1, 1984 and ending June 30, 1985, and for the fiscal year beginning July 1, 1985 and ending June 30, 1986, federal subvention, grants, contracts and other federal funds received, income from investment and other miscellaneous federal receipts received by the Legislative Research Commission except as otherwise specifically provided, for the use and benefit of the Legislative Research Commission for the purposes for which its fund is authorized, and any unexpended balance remaining in the Legislative Research Commission's existing federal accounts at the close of fiscal years ending June 30, 1985 and June 30, 1986. All funds received shall be deposited in the state treasury and credited to the proper federal fund account as provided by law.

In the event the Legislative Research Commission receives monies in excess of the amounts appropriated herein, the director of the Legislative Research Commission at the direction of the Legislative Research Commission may authorize the credit and expenditure of such federal funds for statutory purposes. The director of the Legislative Research Commission shall notify on a timely basis the legislative research commission of the most current estimates of anticipated receipts for the affected fiscal year with an accompanying statement which explains such variations from the anticipated amount.

	1984-85	1985-86
Legislative Research Commission	$100	$100

PART IV
BUDGET REDUCTION PLAN

In accord with KRS 48.130, if the projected or actual general fund revenues are certified to be at least two and one-half percent (2 1/2%) but not more than five percent (5%) less than the revenue estimates, the general fund allotment shall be reduced as follows:

1. General Assembly	1984-85	1985-86
a. Legislative Research Commission, legislative operations and administration	$ 301,000	$ 338,000
Total - legislative branch	$ 301,000	$ 338,000

PART V
SURPLUS EXPENDITURE PLAN

In accord with KRS 48.140, if the projected or actual general fund revenues are certified to be at least two and one-half percent (2 1/2%) but not more than five percent (5%) greater than the revenue estimates, the general fund allotment shall be increased as follows:

1. Legislative Research Commission	1984-85	1985-86
a. Legislative Research Commission, legislative operations and administration	$ 301,000	$ 338,000
Total - legislative branch	$ 301,000	$ 338,000

PART VI
GENERAL PROVISIONS

1. The director of the Legislative Research Commission with the approval of the Legislative Research Commission may expend any of the funds appropriated for legislative operation and administration in any lawful manner and for any legal purpose which the commission shall authorize or direct. No executive agency of state government shall have the power to restrict or limit the expenditure of funds appropriated to the legislative branch of government.

2. In enacting this appropriations act, it is the deliberate intention of the general assembly to enact each section, and each subsection thereof as a separate and specific appropriation and law, and if any section, any

subsection, or any provisions thereof shall be invalid or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions contained herein.
3. The Legislative Research Commission shall not incur any obligation for any program against the general fund appropriation contained herein unless such program may be reasonably determined to have been contemplated by the proposed legislative budget, as modified and enacted, and supported by appropriate work papers and other records pertaining thereto.
4. The Legislative Research Commission shall cause the director of the Legislative Research Commission to prepare a final budget document reflecting the 1984-86 biennial budget of the legislative branch. A copy shall be provided to the Legislative Research Commission and an informational copy shall be furnished to the finance and administration cabinet within forty-five (45) days of the adjournment of the 1984 session of the General Assembly.

HB 948, AN ACT relating to the budget.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. KRS 45.100 IS REENACTED AND AMENDED TO READ AS FOLLOWS:
The finance and administration cabinet shall have the budget report, as approved by the governor, printed in such number of copies as the governor or the legislative research commission orders, and copies thereof shall be transmitted to the house of representatives.

Motions, Petitions, and Communications (continued)

The Clerk announced a meeting of the Committee on Rules on adjournment today.

The following Floor Amendments were filed to Bills and Resolutions:

Floor Amendment No. 1 to **SB 41,** by Representative Brinkley;

Amend printed copy of **SB 41** on page 1, lien 14, before "*Seven*" insert:

"*It is recommended that seven*";

On page 1, line 14, delete "*Seven*";

On page 1, line 14, after "*members*" delete "*shall*" and insert "*should*" in lieu thereof;

On page 1, line 17, after "*appointees*" delete "*shall*" and insert "*should*" in lieu thereof.

Floor Amendment No. 1 to **HCR 86,** by Representative Donnermeyer:

Amend printed copy of **HCR 86** on page 2, by deleting line 26; and

On page 3, by deleting lines 1 and 2 in their entirety and renumbering the succeeding section accordingly.

Floor Amendment 1 to **HB 107,** by Representative Donnermeyer:

Amend printed copy of **HB 107** on page 1, line 17 after the word "*of*" by deleting "*nineteen*" and inserting "*sixteen*" in lieu thereof; and

On page 1, line 18 before the word "*members*" by deleting "*(19)*" and inserting "*(16)*" in lieu thereof; and

On page 1, line 18 after the word "*It*" by deleting "*shall*" and inserting "*is suggested that the commission*"; and

On page 1, line 20 by deleting the underlined langugage in its entirety; and

On page2, lines through 8 by deleting the underlined language in its entirety; and

On page 2, line 9 before the word "*Four*" by deleting "*(e)*" and inserting "*(a)*" in lieu thereof; and

On page 2, line 14 before the word "*One*" by deleting "*(f)*" and inserting "*(b)*" in lieu thereof; and

On page 2, line 17 before the word "*One*" by deleting "*(g)*" and inserting "*(c)*" in lieu thereof; and

On page 2, line 20 before the word "*One*" by deleting "*(h)*" and inserting "*(d)*" in lieu thereof; and

On page 2, line 23 before the word "*One*" by deleting "*(i)*" and inserting "*(e)*" in lieu thereof; and

On page 2, line 26 before the word "*One*" by deleting "*(j)*" and inserting "*(f)*" in lieu thereof; and

On page3, line 3, before the word "*One*" by deleting "*(k)*" and inserting "*(g)*" in lieu thereof; and

On page 3, line 6 before the word "*One*" by deleting "*(l)*" and inserting "*(h)*" in lieu thereof; and

On page 3, line 10 before the word "*One*" by deleting "*(m)*" and inserting "*(i)*" in lieu thereof; and

On page 3, line 13 after the word "*and*" by inserting the following:

"*(j) One (1) member of the press to be appointed from a list of three (3) persons submitted by the president of the Kentucky press association; and*"; and

On page 3, line 14 before the word "*Three*" by deleting "*(n)*" and inserting "*(k)*" in lieu thereof; and

On page 3, line 26 after the word "*least*" by deleting "*twice*" and inserting "*four times*" in lieu thereof; and

On page 5, line 3 after the word "*by*" by deleting "*the legislative*"; and

On page 5, line 4 before the word "*those*" by deleting "*research commission and*"; and

On page 5, line 7 after the word "*commission*" by deleting "*by October 1 of each*"; and

On page 5, line 8 before the period by deleting "*year*" and inserting "*on a quarterly basis*" in lieu thereof.

Floor Amendment No. 2 to **HB 582,** by Representative Pearman:

Amend printed copy of **HB 582** on page 1, by inserting after line 13 the following:

"*(3) The provisions of this section shall not apply to any property acquired by adverse possesion prior to July 1, 1984.*"

Floor Title Amendment to **HB 682,** by Representative Farrow:

Amend printed copy of **HB 682** on page 1, by changing the title to read "AN ACT relating to limitation of actions."

Floor Amendment No. 1 to **HB 682,** by Representative Farrow:

Amend printed copy of **HB 682** on page 1, by inserting after line 16 the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 413 IS CREATED TO READ AS FOLLOWS:

Any provision in a written contract which decreases the period of time provided by statute in which to bring an action shall be null and void."

Floor Amendment No. 6 to **HB 772,** by Representative Burnette:

Amend printed copy of **HB 772** on page 14, line 14, by inserting the following:

"*(9) A person who holds a limited license-institutional practice to practice medicine in the Commonwealth granted December 31, 1972 or before shall, upon application any time prior to July 15, 1985, be granted a regular license to practice medicine in the Commonwealth. The new licence shall thereafter be treated as a regular license for all reasons and purposes.*"

Floor Amendment No. 7 to **HB 772,** by Representative Burnette:

Amend printed copy of **HB 772** on page 14, line 14, by inserting the following:

"*(9) A person who holds a limited license-institutional practice to practice medicine in the Commonwealth granted December 31, 1972 or before shall, upon application any time prior to July 15, 1985, be granted a limited license-institutional practice to practice medicine in the Commonwealth if the license has been maintained in good standing since the date of issue.*"

Floor Amendment No. 5 to **HB 772,** by Representative Cowan:

Amend printed copy of **HB 772** on page 9, line 1, by deleting "*for*";

And by deleting line 2 in its entirety;

And on line 3 by deleting "*conditions established*";

And also on line 3, by deleting the opening brackets preceding the word "pursuant" and by deleting the strike-throughs in the words "pursuant to rules and regulations";

And on line 4, by deleting the strike-throughs in the word "prescribed" and by deleting the closing bracket after the word "prescribed";

And by inserting after "board;" the following:

"*Provided however, no person who held a limited license for institutional practice or general practice as of September 1, 1972, shall be denied the renewal of that limited license for non-disciplinary reasons;*"

And by deleting lines 5 through 7 in their entirety;

And on line 8, by renumbering subsection "*(17)*" as subsection "*(16)*";

And on line 15, by renumbering subsection "*(18)*" as subsection "*(17)*";

And on line 20, by renumbering subsection "*(19)*" as subsection "*(18)*";

And on line 23, by renumbering subsection "*(20)*" as subsection "*(19)*";

And on line 26, by renumbering subsection "*(21)*" as subsection "*(20)*";

And on page 10, line 3, by renumbering subsection "*(22)*" as subsection "*(21)*".

Floor Amendment No. 1 to **HB 864,** by Representative B. Smith:

Amend printed copy of Committee Substitute to **HB 864** by adding on page 7, line 26, after the word "granted" the following: "*funds in*".

Floor Amendment No. 1 to **HB 939,** by Representative Little:

Amend printed copy of **HB 939** on page 2, line 3, by deleting the words "*search warrant*" and inserting the word "*subpoena*" in lieu thereof.

Floor Amendment No. 1 to **HB 987,** by Representative Hancock:

Amend printed copy of **HB 987** on page 1, line 1, by deleting 148 and adding 146 in lieu thereof; and

On page 1, line 3, by deleting "*The department of parks*" and adding "*The cabinet for natural resources and environmental protection*" in lieu thereof; and

On page 1, line 11, by deleting 148 and adding 146 in lieu thereof; and

On page 1, line 20, by deleting "*the department of parks*" and adding "*the cabinet for natural resources and environmental protection*" in lieu thereof; and

On page 2, line 2, by deleting "*department*" and adding "*cabinet*" in lieu thereof; and

On page 2, line 3, by deleting "*department*" and adding "*cabinet*" in lieu thereof; and

On page 2, line 4 through page 5, line 3, by deleting the lines in their entirety.

Floor Amendment No. 1 to **HB 1001**, by Representative Allen:

Amend printed copy of **HB 1001** page 3, lines 14 and 15, by deleting "*including a justification for each specific parcel of property in the area,*" and by substituting therefor "*including a justification that the criteria alleged occur throughout and form a significant feature,*"

And on page 5, lines 4 and 5, by deleting "*The reasons and justifications for including each specific parcel of property in the designation*" and substituting therefor "*The characteristics of the petition area including a justification that the criteria alleged occur throughout the petition area and form a significant feature*"

Adjournment

Representative LeMaster moved that the House adjourn until 2:00 p.m., Tuesday, March 20, 1984.

On the roll call the vote was yeas 36-Allen, Arnold, Barrows, Bendl, Bennett, Blevins, Brinkley, Burch, Caldwell, L. Clark, Crupper, Curd, Cyrus, Donnermeyer, Dunn, Ellington, Foster, Freibert, Gedling, Harper, Hines, Kenton, Mann, McBee, McElroy, McNutt, Meyer, Patrick, Pearman, Rapier, Reinhardt, Richards, Riner, Thomason, Turner, Yates. Nays 3-Endicott, Maggard, P. Richardson.

The motion to adjourn was adopted.

TUESDAY, MARCH 20, 1984

FIFTIETH LEGISLATIVE DAY

The House was called to order by Speaker Richardson.

Prayer by Reverend Gene Waggoner, Stithon Baptist Church, Radcliff, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present.

Representative Brinkley moved that the reading of the Journal of March 19, 1984, be dispensed with and the same approved. Agreed.

Senate Message

Announcing passage of **SB 345, SB 403, SB 404, SB 414, SB 415, HB 26** with Senate Amendments, **HB 240** with Senate Amendment, **HB 571** with Senate Amendments, **HB 126, HB 290,** and **HB 427.**

SB 20 returned with the following letter: The Senate has refused to concur in the House Committee Substitute to **SB 20** and respectfully returns it with the request that this Honorable Body recede from the Committee Substitute.

Reference of Bills and Resolutions

Appropriations and Revenue: **SB 205.**

Banking and Insurance: **SB 311, SB 388, SB 391.**

Cities: **SB 380.**

Education: **SB 332, SB 379, SJR 50.**

Energy: **SB 371, SB 372.**

Health and Welfare: **SB 295, SB 323, SB 344.**

Natural Resources and Environment: **SB 401.**

State Government: **SJR 60, SCR 78.**

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bill has been posted for Committee consideration:

Appropriations and Revenue: **HJR 70.**

Report of Committees

The Committee on Rules reported **HB 987, HCR 89, HJR 92, HB 75, HB 107, HB 984, HB 221, HB 722, HB 724, SB 17, SB 259, SB 292, SB 152, HB 1015, HB 931, HB 917, HCR 110, SB 283, HB 438, HB 900, HB 968,** and **HB 747** have been posted for passage in Orders of the Day, March 21, 1984.

The Committee on Rules reported **HB 995** has been recommitted to the Committee on Appropriations and Revenue.

The Committee on Appropriations and Revenue reported **HB 87** with Committee Substitute and Committee Amendment attached thereto, **HB 601** with Committee Amendment attached thereto, **HJR 70** with Committee Amendment attached thereto, and **HJR 7** with Committee Substitute and Committee Amendment attached, with the expression of opinion that the same should pass.

Ordered referred to the Committee on Rules.

The Committee Amendment No. 1 to the Committee Substitute to **HB 87** is as follows:

Amend printed copy of Committee Substitute to **HB 87** on page 1, line 11, after "*members*" insert "*and it is recommended that*";

On page 1, line 12, after "*members*" delete "*shall*" and insert "*should*" in lieu thereof;

On page 1, line 14, after "*members*" delete "*shall*" and insert "*should*" in lieu thereof;

On page 1, line 18, after "*members*" delete "*shall*" and insert "*should*" in lieu thereof;

On page 2, line 3, after "*member*" delete "*shall*" and insert "*should*" in lieu thereof;

On page 2, line 5, after "*member*" delete "*shall*" and insert "*should*" in lieu thereof;

On page 2, line 6, after "*member*" delete "*shall*" and insert "*should*" in lieu thereof.

The Committee Amendment No. 1 to **HB 601** is as follows:

Amend printed copy of **HB 601**, page 1, line 3, by changing the date "January 1, 1985" to read "July 1, 1986"; and

On lines 9 and 10 by changing the date "January 1, 1985" to read "July 1, 1985".

The Committee Amendment No. 1 to **HJR 70** is as follows:

Amend printed copy of **HJR 70** on page 3, line 15, by adding before the word "commission" the words "Fish and Wildlife", and by capitalizing the word "commission", and by placing a period (.) after the word "budget", and by deleting the remaining language on line 15 following the period; and on line 16 by deleting line 16 in its entirety.

The Committee Substitute to **HJR 7** is as follows:

HJR 7, A RESOLUTION directing the Kentucky Center for Veterans' Affairs, in cooperation with the Finance and Administration Cabinet, to assist in planning for a Vietnam veterans' memorial in Frankfort, and making an appropriation therefor.

WHEREAS, 55,000 Kentuckians fought in Vietnam in the various branches of the armed services in this country; and

WHEREAS, at least 1,049 Kentuckians lost their lives while in the service of their country; and

WHEREAS, there is no Kentucky monument or memorial commemorating the unselfish service and supreme sacrifice of those Kentuckians who fought and died in Vietnam; and

WHEREAS, the Kentucky Vietnam Veterans Memorial Fund (KVVMF), Inc. is a nonprofit organization created by and consisting of a representative cross section of Kentuckians who fought and served at all ranks and in all branches of the armed services; and

WHEREAS, it is the goal and intention of the Kentucky Vietnam Veterans Memorial Fund, Inc. to erect a fitting monument or memorial to those who fought and died in Vietnam, the cost of which is to be raised by said organization; and

WHEREAS, the appropriate location for such a monument or memorial to these Kentuckians would be at the State Capitol or its environs;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That we hereby authorize the Kentucky Vietnam Veterans Memorial Fund, Inc. to design and raise the necessary funds for a monument or memorial to those Kentuckians who fought and died in Vietnam, which monument or memorial shall be erected at a suitable location at the State Capitol or its environs to be approved by the Governor of the state of Kentucky.

Section 2. That the Clerk of the House is directed to forward a copy of this resolution to the Kentucky Vietnam Veterans Memorial Fund, Inc.

The Committee Title Amendment to **HJR 7** is as follows:

Amend printed copy of **HJR 7** (Title Amendment) on page 1, by amending the title as follows:

"A JOINT RESOLUTION to erect a monument or other fitting memorial to those Kentuckians who fought and died in Vietnam."

The Committee on Appropriations and Revenue reported **HB 577, HB 765,** and **SB 314** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 577, AN ACT relating to the Kentucky River.

WHEREAS, the Corps of Engineers has ceased operation of locks 5-14 on the Kentucky River; and

WHEREAS, the closure of these locks affects recreational boating, tourism, the potential for commercial navigation, and economic and industrial development; and

WHEREAS, the drought of 1983 emphasizes the importance of the present stage of the Kentucky River in supplying water vital to the health and welfare of many Kentuckians; and

WHEREAS, KRS 151.580 allows the natural resources and environmental protection cabinet to "negotiate with the appropriate federal agencies for the operation or maintenance of a navigable waterway within the state boundaries" when continued navigation on the waterway is in jeopardy;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. In the event that the U.S. Army Corps of Engineers neglects its statutory responsibility, the natural resources and environmental protection cabinet is hereby directed to commence negotiations with the U.S. Army Corps of Engineers for the reopening and operation of locks 5-14 on the Kentucky River. These negotiations shall be subject to approval of the governor and secretary of the finance and administration cabinet. These negotiations shall be completed as early as possible during the 1984-85 fiscal year. For this purpose there is appropriated out of the general fund to the natural resources and environmental protection cabinet the sum of twenty-five thousand dollars ($25,000) for the 1984-85 fiscal year.

Section 2. The natural resources and environmental protection cabinet is hereby directed to operate and perform routine maintenance on locks 5-14 on the Kentucky River as agreed to by the corps and the Commonwealth as provided in Section 1 of this Act. The operation and routine maintenance of locks 5-14 shall commence as early as possible during the 1984-85 fiscal year. For this purpose there is appropriated out of the general fund to the natural resources and environmental protection cabinet the sum of one hundred fifty thousand dollars ($150,000) for fiscal year 1984-85 and the sum of one hundred fifty thousand dollars ($150,000) for the fiscal year 1985-86. Any amount of the appropriation remaining at the close of the 1984-85 fiscal year shall be carried forward into the 1985-86 fiscal year.

HB 765, AN ACT relating to the Kentucky Higher Education Student Loan Corporation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 164A.080 is amended to read as follows:

(1) The corporation is hereby authorized to provide for the issuance, at one (1) time or from time to time, of not exceeding *five hundred fifty-three million dollars ($553,000,000)* [~~four hundred million dollars ($400,000,000)~~] in bonds of the corporation to carry out and effectuate its corporate purposes and powers. In

anticipation of the issuance of such bonds the corporation also is hereby authorized to provide for the issuance, at one (1) time or from time to time, of bond anticipation notes. The principal of and the interest on such bonds or notes shall be payable solely from the funds herein provided for such payment. Any such notes may be made payable from the proceeds of bonds or renewal notes or, in the event bond or renewal note proceeds are not available, such notes may be paid from any available revenues or assets of the corporation. The bonds or notes of each issue shall be dated and may be made redeemable before maturity at the option of the corporation at such price or prices and under such terms and conditions as may be determined by the corporation. Any such bonds or notes shall bear interest at such rate or rates as may be determined by the corporation. Notes shall mature at such time or times not exceeding five (5) years from their date or dates and bonds shall mature at such time or times not exceeding thirty (30) years from their date or dates, as may be determined by the corporation. The corporation shall determine the form and manner of execution of the bonds or notes, including any interest coupons to be attached thereto, and shall fix the denomination or denominations and the place or places of payment of principal and interest, which may be any bank or trust company within or without the state. In case any officer whose signatures or a facsimile of whose signature shall appear on any bonds or notes or coupons attached thereto shall cease to be such officer before the delivery thereof, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. The corporation may also provide for the authentication of the bonds or notes by a trustee or fiscal agent. The bonds or notes may be issued in coupon or in registered form, or both, as the corporation may determine, and provision may be made for the registration of any coupon bonds or notes as to principal alone and also as to both principal and interest, and for the reconversion into coupon bonds or notes of any bonds or notes registered as to both principal and interest, and for the interchange of registered and coupon bonds or notes. Upon the approval of a resolution of the corporation authorizing the sale of its bonds or notes, such bonds or notes may be sold in such manner, either at public or private sale, and for such price as said corporation shall determine to be for the best interest of the corporation and best effectuate the purposes of this chapter provided that such sale shall be approved by the corporation.

(2) The proceeds of any bonds or notes shall be used solely for the purposes for which issued and shall be disbursed in such manner and under such restrictions, if any, as the corporation may provide in the resolution authorizing the issuance of such bonds or notes or in the trust agreement hereinafter mentioned securing the same. The principal of and interest on any bonds issued by the corporation shall be payable solely and only from the proceeds derived by the corporation from insured student loans made and purchased from the proceeds of such bonds. No such bond proceeds may be expended for the purchase or making of any insured student loan unless such insured student loan is insured as to the principal and interest payments by the United States of America or the guarantee agency, and the guarantee agency has reinsured such insured student loan with the United States of America to the maximum extent permitted by the higher education act of 1965, as amended.

SB 314, AN ACT relating to taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 141 IS CREATED TO READ AS FOLLOWS:

(1) There shall be allowed a credit against the tax imposed by this chapter for any corporation as defined in KRS 141.040 and which, on or after January 1, 1984, installs, modifies, or utilizes facilities used for generating steam or hot water for space-heating or materials processing or for providing direct heat for industrial processes in any of the following ways:

(a) Replacement of an existing heat-generating facility not capable of using coal as a fuel with one (1) in which coal can be used;

(b) Erection of a new heat-generating facility capable of using coal as a fuel to meet new or expanded heat demand;

(c) Refurbishment for coal utilization of heat-generating facilities which were at one (1) time capable of using coal but which had been altered to allow use of other fuels;

(d) Alteration of an existing heat-generating facility not capable of utilizing coal in such ways as to allow the use of coal; and

(e) Substitution of coal for other fuels in any heat-generating facility which on January 1, 1984, was in existence and capable of utilizing coal and other fuels; such substitution is defined as the increased heat input from coal matched by equal decreases of heat input from other fuels, based upon relative fuel usage in calendar year 1983.

(2) The amount of the allowable credit shall be equal to four and one-half percent (4.5%) of the

purchase price of the coal consumed or substituted in each heating facility minus the cost of transporting the coal.

(3) The credit shall be allowed for ten (10) years consecutive from the date of initial operation of any heat-generating facility installed or modified as provided in subsection (1)(a), (b), (c), or (d) of this section or ten (10) years consecutive from the filing of a fuel-switching credit claim as in subsection (1)(e) of this section.

The Committee Substitute to **SB 314** is as follows:

SB 314, AN ACT relating to taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 141 IS CREATED TO READ AS FOLLOWS:

(1) There shall be allowed a credit against the tax imposed on any corporation subject to taxation under KRS 141.040 and which, on or after January 1, 1984, installs, modifies, and utilizes facilities located in Kentucky for generating steam or hot water for space-heating or materials processing or for providing direct heat for industrial processes in the following ways:

(a) Replacement of an existing heat-generating facility not capable of using coal as a fuel with one in which coal can be used;

(b) Erection of a heat-generating facility additional to any existing heat-generating facility or facilities and capable of using coal as a fuel;

(c) Refurbishment for coal utilization of heat-generating facilities which were at one time capable of using coal but which had been altered to allow use of other fuels;

(d) Alteration of an existing heat-generating facility not capable of utilizing coal in such ways as to allow the use of coal;

(e) Substitution of coal for other fuels in any heat-generating facility which on January 1, 1984, was in existence and capable of utilizing coal and other fuels. Substitution means the increased heat input in BTU from coal matched by equal decreases of heat input in equivalent measures to BTU from other fuels, based upon relative fuel usage in the calendar year preceding the year in which the substitution occurred.

(2) The amount of the allowable credit shall be equal to four and one-half percent (4 1/2%) of the purchase price of the coal subject to taxation under KRS Chapter 143 consumed or substituted in each eligible heating facility as described in subsection (1) of this section, minus any transporting cost included in the purchase price.

(3) The credit shall be allowed for ten (10) years consecutive from the date of the initial installation, modification or utilization of any heat-generating facility installed or modified on and after January 1, 1984, as defined in subsection (1)(a), (b), (c) and (d) of this section or ten (10) years consecutive from the filing of a fuel-switching credit claim in subsection (1)(e) of this section.

(4) The amount of the tax credit allowable under this section in any year may not exceed the amount of the tax imposed by KRS 141.040 for that year less any other tax credit allowed under KRS Chapter 141, and no part of the credit shall be applicable to the tax imposed by KRS 141.040 for any other taxable year.

(5) A corporation claiming the credit under this section must submit proof of the installation, modification, utilization or substitution as required by regulations issued by the revenue cabinet prior to the claiming of such credit.

The Committee on Counties and Special Districts reported **HB 482** with Committee Amendment attached thereto, **HB 982,** and **SB 309** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 482, AN ACT relating to fire protection districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 75 IS CREATED TO READ AS FOLLOWS:

(1) Upon receipt of a petition signed by not less than fifty-one percent (51%) of the property owners in a fire district requesting merger of the district with another district or districts, or upon action of the trustees of a fire protection district requesting the merger of the district with another fire protection district or

districts, the districts may be merged pursuant to subsection (2) of this section.

(2) Petitions required pursuant to subsection (1) of this section and actions of the boards of trustees of the districts involved shall be delivered to the county clerk not less than ninety (90) days prior to any regular or primary election. The clerk shall cause to be placed on the ballot the question "Are you in favor of the merger of the territory of the -------------- fire protection district with the territory of the -------------- fire protection district or districts?" If a majority of those voting in the election agree, the districts shall be merged.

(3) If the merger is approved, the new district shall possess:

(a) All territory of the former districts;

(b) All assets, equipment, property, and liabilities of the former districts;

(c) All personnel, paid or volunteer, of the former districts; and

(d) Taxation powers at the highest rate then in effect in any of the districts which have been merged.

(4) The actual formation of the new district shall occur ninety (90) days after the merger is approved by the voters and during the period from the election to the actual formation of the new district, new trustees and officers shall be chosen in the manner provided for by law.

The Committee Amendment No. 1 to **HB 482** is as follows:

Amend printed copy of **HB 482** on page 1, line 7, by deleting "*a*" and by substituting therefor "*all*", and by deleting "*district requesting*" and by substituting therefor "*districts to be affected by*"; and

On page 1, line 16, by inserting after "*ballot*" the following "*, in the territory of each fire district which would be affected,*".

HB 982, AN ACT relating to scenic easements.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 65.410 is amended to read as follows:

(1) "Local legislative body" means the chief governing body of a city, county or urban county which has legislative powers whether it is the board of aldermen, the general council, the common council, the city council, the board of commissioners, the fiscal court, or otherwise.

(2) "Open space land" means any land in an area which is provided or preserved for park or recreational purposes; conservation of land or other natural resources; historic or scenic purposes; or community development purposes.

(3) "Public body" means any state agency or local legislative body.

(4) "Other organization" means a charitable corporation, association, trust, or other not-for-profit organization formed for the purpose of retaining or protecting the natural, scenic, historic, or cultural aspects of real property.

(5) A "scenic easement" is an interest in land transferred by the owner thereof to the public, either in perpetuity or for a term of years. A scenic easement may be created by sale, gift, lease, bequest, or otherwise. An instrument which creates a scenic easement shall contain a covenant whereby the owner of the land promises neither to undertake nor to permit the construction of any improvements upon the land, except as the instrument provides and except for public service facilities installed for the benefit of the land subject to such covenant or public service facilities installed pursuant to an authorization by the governing body of the city, county, urban county, the energy regulatory commission or utility regulatory commission. Any such reservation shall be consistent with the purposes of this chapter or with the findings of the county, city, or urban county pursuant to KRS 65.466 and shall not permit any action which will materially impair the open-space character of the land.

Section 2. KRS 65.420 is amended to read as follows:

Local legislative bodies *or other organizations* may obtain scenic and recreation easements in the Commonwealth for the purposes of providing necessary land for park development, restoration or preservation of scenic beauty, restoration or preservation of areas of historical interest, community development purposes and similar public purposes.

Section 3. KRS 65.430 is amended to read as follows:

To carry out the purposes of KRS 65.410 to 65.460, local legislative bodies *or other organizations* may acquire by purchase, gift, lease, bequest or otherwise title to or any interests or rights in real property that will provide a means for the preservation or provision of permanent open space land.

Section 4. KRS 65.476 is amended to read as follows:

If any land or a portion thereof as to which any local legislative body *or other organization* has accepted a scenic easement is thereafter sought to be condemned for public use and the local legislative body *or other organization* received the easement as a gift without the payment of any compensation therefor, the easement shall terminate as of the time of the filing of the complaint in condemnation as to the land or portion thereof sought to be taken for public use, and the owner shall be entitled to such compensation for the taking as he would have been entitled to had the land not been burdened by the easement.

SB 309, AN ACT relating to sheriffs' fees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 64.090 is amended to read as follows:

Sheriffs may charge and collect for the following services the following fees:

Executing and returning process, *per party served*	$10.00
Serving an order of court and return	3.00
Summoning each witness	2.00
Summoning an appraiser or reviewer	2.00
Attending a surveyor, when ordered by a court, per deputy or sheriff assigned	20.00
Taking any bond that he is authorized or required to take in any action	5.00

Collecting money under execution or distress warrant, if the debt is paid or the property sold, or a delivery bond given and not complied with, six per cent (6%) on the first three hundred dollars ($300) and three per cent (3%) on the residue; when he levies an execution or distress warrant, and the defendant replevies the debt, or the writ is stayed by legal proceedings or by the order of the plaintiff, half of the above commissions, to be charged to the plaintiff and collected as costs in the case.

Taking a recognizance of a witness	$3.00
Levying an attachment	5.00

When property attached is sold by an officer other than the officer levying the attachment, the court shall, in the judgment, make the officer an additional and reasonable allowance for levying the attachment, and the fee of the officer selling the property shall be lessened by that sum. Reasonable charges for removing and taking care of attached property shall be allowed by order of court.

Summoning a garnishee	3.00
Summoning a jury in a misdemeanor case, attending the trial, and conducting the defendant to jail, to be paid by the party convicted	8.00
Serving process or arresting the party in misdemeanor cases, to be paid by the plaintiff	10.00
Serving an order or process of revivor	3.00
Executing a writ of possession against each tenant or defendant	7.00

Executing a capias ad satisfaciendum, the same commission as collecting money on execution. If the debt is not paid, but stayed or secured, half commission.

Summoning and attending a jury in a case of forcible entry and detainer, besides fees for summoning witnesses	8.00

Collecting militia fines and fee-bills, ten per cent (10%), to be deducted out of the fee-bill or fine.

Levying for a fee-bill	3.00
Serving a notice	2.00
Serving summons, warrants or process of arrest in bastardy cases	6.00
Serving each order appointing surveyors of roads, to be paid out of the county levy	5.00
Serving each summons or order of court in applications concerning roads, to be paid out of the county levy if the road is established, and in all other cases to be paid by the applicant	5.00
Like services in cases of private passways to be paid by the applicant	5.00
Executing each writ of habeas corpus, to be paid by the petitioner	3.00
All services under a writ issued under KRS 381.460 to 381.570	10.00

For services in summoning grand and petit jurors and performing his duties under KRS Chapter 29A the sheriff shall be allowed, for each person so summoned, and paid out of the state treasury for constructive service the sum of $1.50 and for personal service the sum of $3.00.

The Committee on Labor and Industry reported **HB 592,** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Ordered referred to the Committee on

Rules.

The Committee on Labor and Industry reported **HB 782** with Committee Amendment attached thereto, **HB 957**, **SB 206**, and **SB 351** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 782, AN ACT relating to work schedules for students.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 337 IS CREATED TO READ AS FOLLOWS:

(1) An employer shall not require an employe enrolled in a secondary school who has passed his eighteenth birthday but is under twenty (20) years of age to work schedules which are detrimental to that employe's performance as a student.

(2) Work schedules shall be determined according to regulations promulgated by the commissioner. In making such determination, the commissioner shall consider the number of hours, hours of the day, and the nature of the employment. The Committee Amendment No. 1 to **HB 782** is as follows:

Amend printed copy of **HB 782** on page 1, after line 12 by adding the following:

"Section 2. KRS 337.991 is amended to read as follows:

Any employer who violates KRS 337.365 *or Section 1 of this Act* shall be fined not less than ten dollars ($10.00) nor more than fifty dollars ($50.00)."

HB 957, AN ACT relating to the assumption of the liabilities of the workers' compensation special fund.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 342.122 is amended to read as follows:

(1) "Adjusted cost" as used in this section and in KRS 342.475 means all liability incurred for compensation, hospital and medical benefits to be paid pursuant to this chapter, except that any employer defined in KRS 342.630(2) may compute "adjusted cost" on the basis of benefits paid rather than liability incurred. "Adjusted cost" [~~for all employers~~] shall include an additional factor of twelve percent (12%) of such total liabilities or benefits paid. Each *insurer,* self-insured group and [~~each~~] employer carrying his own risk shall annually furnish payroll data and other information required to calculate "adjusted cost" to the department of revenue. *The commissioner of the department of revenue shall make these reports of data and information available to the workers' compensation board and the Kentucky special fund indemnity association for their use in the performance of their statutory duties. The reports and data so furnished, together with all copies and summaries thereof and extracts therefrom, shall not constitute public records for purposes of KRS 61.870(2).*

(2) In addition to the taxes and assessments imposed by KRS 342.450 and 342.475, a special fund tax at the rate of three-fourths (3/4) of one percent (1%) of the amount of premiums received shall be paid by every insurance carrier as defined in KRS 342.445, subject to the credits therein set out, and the department of revenue shall assess against the "adjusted cost" of every employer carrying his own risk a special fund tax computed by taking three-fourths (3/4) of one percent (1%) of the "adjusted cost" determined as provided in KRS 342.475. The provisions of KRS 342.450, 342.455, 342.460, 342.465 and 342.470 shall, so far as applicable, also apply to the levy and collection of such additional tax of three-fourths (3/4) of one percent (1%) of such premiums of insurance carriers.

(3) All taxes and assessments *collected by the department of revenue* imposed by [~~subsection (2) of~~] this section *and all funds received from the Kentucky special fund indemnity association pursuant to KRS 342.123(5)(a)1.* shall be paid into the state treasury and shall be credited to the special fund [~~and the Kentucky reinsurance association~~] and shall be used only for awards of compensation made by the board and chargeable against the special fund, expenses of legal representation thereof, fees *and*[~~,~~] expenses of the physicians in connection therewith, and *for the legal defense and administrative services provided by the division of the special fund, which shall defend all claims against the special fund for benefits under this chapter and shall*

process and make payment of awards to be paid by the special fund as ordered by the workers' compensation board [~~expenses in connection with reinsurance obtained for the special fund~~] and shall be withdrawn for that purpose under the supervision of the secretary of finance, *provided that the commissioner of labor shall supervise the expenditure of budgeted administrative and current claims payment funds, and the secretary of finance and administration shall periodically transfer such amounts from the special fund to the administrative and current claims account as required to meet such expenditures.*

(4) *Interest and investment income earned on special fund balances in the state treasury shall be credited to the special fund.* Any sum remaining in the special fund at the end of any fiscal year shall be set up by the finance and administration cabinet to the credit of such fund for the next ensuing fiscal year.

(5) *The secretary of finance shall complete an annual review of the special fund on or before April 1 of each year; and*

(a) For liabilities for injuries and occupational diseases incurred on or after July 1, 1983:

1. If on *such* [~~an~~] annual review [~~of the special fund~~] the secretary of finance finds that the *three-fourths of one percent (.075%)* special fund tax to be levied pursuant to this section may be insufficient to pay prospective amounts which may be awarded under the special fund provisions, *for claims arising in the annual period beginning with the next succeeding July 1,* he shall advise the Kentucky *special fund indemnity* [~~reinsurance~~] association in writing of such fact and shall further request [~~and give specifications for~~] the association to make a *projection of the cost of assuming such* [~~proposal for reinsuring the~~] liabilities of the special fund and *to make a proposal* for distributing the cost [~~of such reinsurance~~] to the subscribers of the association *based on the "adjusted cost" of every subscriber, unless the proposal sets forth another basis of cost distribution that the board of directors of the association finds to be more equitable than "adjusted cost".* The *association's projection shall* [~~proposal will~~] contain *an evaluation of the liabilities to be assumed and an estimated* [~~a total~~] cost for such *assumption of liabilities by the association* [~~reinsurance~~], including the administrative costs of making benefit payments and collecting *assessments* [~~premiums~~] from subscribers. *The projection shall also contain a detailed description of the investment income policies and assumptions underlying the estimated cost amount.* [~~The total cost of reinsurance shall be distributed among the subscribers based on the "adjusted cost" of every subscriber unless the proposal sets forth another basis of cost distribution that the secretary of finance finds to be more equitable than "adjusted cost."~~]

2. The secretary *of finance, the commissioner of labor and the association* [~~of finance shall then advertise for bids from qualified bidders for reinsurance of the liabilities of the special fund as set out in the proposal of the Kentucky reinsurance association.~~

~~3. If no other qualified bidder offers an arrangement more advantageous than that proposed by the Kentucky reinsurance association, the secretary~~] shall enter *into* an agreement for *direct and complete assumption* [~~reinsurance~~] of the special fund liabilities *by* [~~with~~] the association [~~as specified in the original written request~~]. *The agreement shall specify the complete details of any investment program intended for the loss and expense reserves for claims covered by the contract, and shall allow the association, at the discretion of its board of directors, to purchase insurance for any of the liabilities assumed and to enter into other agreements with third parties regarding the transfer of any risk of the association* [~~If another qualified bidder makes a bid more advantageous according to criteria established in the specifications, the secretary shall enter an agreement with such bidder for reinsurance of the special fund liabilities~~].

(b) For liabilities for injuries and occupational diseases incurred before July 1, 1983:

1. The secretary of finance, [~~and~~] the commissioner of labor *and the association* may *jointly* determine whether such liabilities could be *insured* [~~reinsured~~] or otherwise transferred [~~to the Kentucky reinsurance association~~] in a manner calculated to minimize the costs of such liabilities and the processing of payments in connection therewith, *and may contract with each other or with third parties to effect such insurance or liability transfer. The association shall not directly assume such liabilities without the approval of its board of directors.*

2. If the secretary of finance and the commissioner of labor find that the special fund tax to be levied pursuant to this section is insufficient to pay such claims, they shall advise the commissioner of revenue in writing of such fact. The commissioner of revenue may then levy additional assessments against all insurance companies writing workers' compensation insurance in Kentucky, all self-insurance groups operating under this chapter, and every employer carrying his own risk. The amount of each assessment shall be in the proportion that each assessment payer's "adjusted cost" bears to the total "adjusted cost" of all assessment payers.

(6) Except for a two percent (2%) collection fee allowance, all moneys charged the insured for assessments and taxes *levied by the department of revenue* under this chapter and KRS Chapter 136 shall be paid into the state treasury and credited to the appropriate fund for which said assessment or tax is charged. In no case shall the moneys turned over be less than ninety-eight percent (98%) of the moneys charged.

[~~(7) The fund heretofore designated as the subsequent claim fund is abolished and there is substituted therefor the special fund as herein set out and all moneys and properties owned by the subsequent claim fund are transferred to the special fund.~~

Section 2. KRS 342.123 is amended to read as follows:

(1) *The Kentucky reinsurance association is hereby renamed the Kentucky special fund indemnity association.*

(2) For the purpose of *funding liabilities of* [~~providing reinsurance for~~] the special fund *in excess of the taxes and assessments collected pursuant to KRS 342.122 and to promote an effective means of controlling the costs of funding the assumed long-term liabilities thereof,* the Kentucky *special fund indemnity* [~~reinsurance~~] association is created as *an independent public* [~~a nonprofit~~] corporation *and de jure political subdivision of the Commonwealth* with all *customary* [~~the general~~] corporate powers incidental thereto *and as provided.* [~~Each insurance carrier authorized to write workers' compensation insurance, each self-insurance group operating under this chapter, and each individual self-insured employer operating under this chapter shall become a subscriber.~~]

(3) The association shall not engage in any business of a kind ordinarily carried on for profit nor shall it perform any particular services for individual persons. The association may assume only liabilities of the special fund and, in certain circumstances, may acquire insurance therefor in accordance with the more particular terms of this section and KRS 342.122. The association shall have the power:

(a) To sue and be sued, complain and defend, in its corporate name;

(b) To adopt a plan of operation consistent with this section and prescribe additional rules, regulations, policies and procedures governing its affairs, the conduct of its business, and the performance of its duties and the duties of its subscribers;

(c) To purchase, take, receive, lease, take by gift, devise or bequest or otherwise acquire, own, hold, improve, use and otherwise deal in and with real or personal property, or any interest therein, wherever situated;

(d) To sell, convey, mortgage, pledge, lease, exchange, transfer and otherwise dispose of all or any part of its property and assets;

(e) To make contracts and incur liabilities, borrow money at such rates of interest as the association may determine, issue its notes, bonds and other obligations and secure any of its obligations by mortgage or pledge of all or any of its property, franchises and income, provided that no obligation incurred by the association hereunder shall constitute a debt of the Commonwealth of Kentucky;

(f) To invest and reinvest its corporate funds;

(g) To administer its funds separate and apart from all "state funds" or "public funds" as defined in KRS 446.010;

(h) To elect, appoint or hire officers, agents and employes, and define their duties and fix their compensation without regard to KRS Chapter 18A.

(i) To contract for investment counseling, legal, actuarial, auditing and other professional services;

(j) To appoint, hire and contract with banks, trust companies and other entities to serve as depositories and custodians of association funds; and

(k) To indemnify any director or former director, proxy of any director or former director, officer or former officer, employe or former employe of the association, or any person who may have served at its request on any committee established by its board of directors, against expenses reasonably incurred by such person in connection with the defense of any action, suit or proceeding, civil or criminal, in which such person is made a party by reason of being or having been such a director, proxy, officer, employe or committee member, unless such person shall be finally adjudged to have committed a breach of duty involving gross negligence, bad faith, dishonesty, willful misfeasance, or reckless disregard of the responsibilities of such person's office; and to make any other indemnification that shall be authorized by the plan of operation of the association.

(4) Each insurance carrier authorized to write workers' compensation insurance, each self-insurance group operating under this chapter, and each individual self-insured employer operating under this chapter shall, as a condition of its authorization, become a subscriber.

(5) (a) It is the intention of the general assembly in creating the Kentucky special fund indemnity association that the responsibility and obligation to provide funding for the long-term liabilities assumed from the special fund under KRS 342.122 and this section shall reside with the association; that the funds of the association shall be managed directly by the association for that purpose; that the liabilities assumed by the association pursuant to this chapter shall not be the liabilities of the Commonwealth of Kentucky; and that the liabilities of the Commonwealth of Kentucky and the special fund shall not be those of the association except as provided for in this chapter. Funds of the association shall not be loaned to the Commonwealth of Kentucky, or any agency thereof, or transferred to or held by the treasury of the Commonwealth of Kentucky for purposes other than:

1. To make current payments for claims against the special fund as specified in any agreement between the association and the special fund pursuant to KRS 342.122;

2. To allow for payment for use by the association of facilities and administrative services obtained from governmental units under a contract provided for in this section;

3. To make other deposits, payments or transfers approved by the board of directors; or

4. To effect a plan of operation promulgated by the secretary of finance in accordance with *subsection (12) of this section.*

(b) The Kentucky special fund indemnity association shall not receive public funds through a direct appropriation by the general assembly, except that funds previously credited to the Kentucky reinsurance association pursuant to this section shall be transferred to the Kentucky special fund indemnity association; the association shall not be a budget unit of the Kentucky state government as defined in KRS Chapters 12 and 48, or elsewhere in the Kentucky revised statutes;

(c) The association shall be exempt from liability for all fees and taxes levied by this state or any of its subdivisions including, without limitation, any and all taxes levied on income, real property, or tangible or intangible personal property.

(6)[~~(2)~~] The board of directors of the [~~reinsurance~~] association shall consist of fifteen (15) members, three (3) of whom shall be appointed by the governor, and twelve (12) of whom shall be elected by ballot of the subscribers, in accordance with Section 207 of the Constitution. *Each member of the board of directors serving as of January 1, 1984, shall serve until the date established in the plan of operation for the first annual meeting of the association subsequent to the end of that member's current term. Thereafter* members of the board of directors shall serve a term of three (3) years, except that of the original directors appointed by the governor, one (1) shall be appointed for a term of one (1) year and one (1) shall be appointed for a term of two (2) years. One (1) or more of the directors appointed by the Governor shall be a representative of employes covered by this chapter selected from a list of five (5) or more candidates provided by the commissioner of labor. Election of directors by subscribers shall be held when and as provided by the *plan of operation* [~~bylaws~~] of the association.

(7)[~~(3)~~] The board of directors shall choose annually by ballot a president, who shall be a member of the board of directors, a secretary, a treasurer, and any other officers as the *plan of operation may* [~~bylaws~~] provide.

(8)[~~(4)~~] Eight (8) members of the board of directors shall constitute a quorum for the transaction of business. Vacancies in any office may be filled as the *plan of operation provides* [~~bylaws provide~~].

(9)[~~(5)~~] In any meeting of the subscribers each subscriber who has incurred a current year tax liability to be paid under either KRS 342.450 or 342.475 shall be entitled to one (1) vote. If a subscriber has paid tax under either KRS 342.450 or 342.475 he shall be entitled to one (1) vote for each one thousand dollars ($1,000) of taxes paid thereunder in the preceding calendar year. But, *except as provided in Section 207 of the Constitution,* no subscriber shall cast by his own right, or by right of proxy, more than ten (10) votes.

(10) The board of directors shall have full power, authority and jurisdiction over the funds of the association and, in exercising such power, shall be a fiduciary as defined in KRS 386.010. The investment policies of the association shall be determined by the board in accordance with KRS 386.020. The secretary of finance, or his designated representative, shall be appointed by the president as a voting member of any committee which is assigned the responsibility of reviewing and formulating investment plans, procedures and policies and making recommendations to the board on investments. The purpose of this appointment is to enable the secretary to determine that investment policies shall be consistent with the purposes of this section and the laws of the Commonwealth.

(11) The board of directors shall adopt and publish a plan of operation, to include the complete investment plan of the association, and such additional rules, regulations, policies and procedures as are necessary to the accomplishment of the purposes of this section, the performance of the association's duties under KRS 342.122, and the administration of the association.

(12)[~~(6)~~] No *contract of liability assumption between the association and the secretary of finance on behalf of the special fund* [~~policy~~] shall be *effective without specifying the investment plan applicable thereto and* [~~issued~~] until a list of the subscribers *and the plan of operation and any amendments thereto have*[~~, together with such other information as the commissioner of insurance requires, has~~] been filed with the *secretary of finance* [~~commissioner of insurance~~]. *If the required documents have not been filed, the secretary of finance may, after sixty (60) days from the date of having given written notice to the board of directors of a failure to file the required documents and upon the continued failure by the board to file such documents, promulgate and implement a suitable plan of operation to effect the purposes of this section.*

(13)[~~(7)~~] (a) Subscribers shall pay annually [~~in cash~~] the *assessments levied by the association to fund the liabilities of the special fund it has assumed, to fund reasonable reserves established by the board of directors from time to time, and to pay operating expenses of the association* [~~premiums required by the directors for the compensation for which the reinsurance association is liable~~].

(b) [~~If the reinsurance association has no cash funds above its unearned premiums sufficient for the payment of incurred losses and expenses, it shall make an assessment for the amount needed to pay such losses and expenses upon the subscribers liable to assessment therefor in proportion to their several liability.~~

~~(c)~~] Every subscriber shall pay his proportional part of any assessments which may be laid by the [~~reinsurance~~] association, in accordance with *the plan of operation and any amendments thereto on file with or as promulgated by the secretary of finance pursuant to this section* [~~law and his contract~~], on account of injuries sustained and expenses incurred while he is a subscriber.

(c) Each subscriber shall also be credited or charged an amount determined by the board to distribute

equitably excess or deficient assessments from previous periods.

[~~(8) The reinsurance association may provide other forms of reinsurance of workers' compensation risks under this chapter as requested by one (1) or more of its subscribers and as provided in its bylaws. Such forms of reinsurance shall be filed with the commissioner of insurance and shall comply with the insurance laws of this state.~~]

(14)[~~(9)~~] The [~~reinsurance~~] association *may contract with state government agencies for use of facilities and for specified administrative services upon the mutual written agreement of the board of directors, the secretary of finance and the agency providing the facilities or services. The association may maintain appropriate clearing accounts in the state treasury to reimburse state agencies, in accordance with written agreements, for the use of such facilities or the performance of such services* [~~shall be a political subdivision of the Commonwealth and shall be attached to the department of finance for administrative purposes~~].

(15) The board of directors shall require the association to engage a qualified firm of certified public accountants to conduct an annual examination of the association's financial statements, condition, transactions and affairs in accordance with generally accepted auditing standards for the purpose of submitting an independent opinion, and preparing a report of findings and recommendations concerning the association's internal accounting controls, procedures, and compliance with law and the filed plan of operations. The opinion and report of the accountants shall be forwarded to the governor, the secretary of finance, and the auditor of public accounts.

(16) Pursuant to an executive order issued by the governor in accordance with KRS 61.520, employes of the association shall be eligible to participate in the Kentucky retirement system.

(17) The association may provide through appropriate written agreements with the secretary of finance and the Kentucky public employes deferred compensation system for the participation of its employes in such system pursuant to KRS 18A.270.

SB 206, AN ACT relating to water heaters.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 318 IS CREATED TO READ AS FOLLOWS:

(1) No water heating device shall be sold or offered for sale in counties with cities of the first class, second class, or with urban-county government, in the Commonwealth of Kentucky unless it contains thereon a serial number. As used in this section, "water heating device" means any pressure vessel which heats, stores and supplies potable water for domestic or commercial purposes other than for space heating.

(2) All retailers, wholesalers and installers selling or offering for sale a water heating device shall within thirty (30) days of the date of sale forward a list of names and addresses of purchasers along with the serial numbers of the devices purchased to the appropriate agency of state, county or city government having jurisdiction.

SB 351, AN ACT relating to job training.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 195 IS CREATED TO READ AS FOLLOWS:

(1) The governor of the Commonwealth may elect to participate in the programs afforded pursuant to the federal Job Training Partnership Act (96 Stat 1322, U. S. Code Title 29 Section 1501 et. seq. as amended) (hereinafter referred to as the federal Act) as adopted by the Congress of the United States.

(2) Upon election to participate pursuant to subsection (1) of this section, the secretary of the cabinet for human resources shall administer the programs authorized by the federal Act in accordance with the provisions of Sections 1 through 3 of this Act.

SECTION 2. A NEW SECTION OF KRS CHAPTER 195 IS CREATED TO READ AS FOLLOWS:

The secretary of the cabinet for human resources, under the direction and control of the governor, shall have the following authority:

(1) To provide such technical assistance as may at the discretion of the governor be necessary for the proper implementation and maintenance of programs afforded under the federal Act.

(2) To monitor those entities which by the terms of the agreement specified in section 103(b)(1) of the federal Act were or may hereafter be selected to administer the job training plans developed and approved by the governor in accordance with the federal Act and to monitor or to require monitoring of contractors including those of the said entities. As used herein, the term "entities" shall mean any private industry council or other entity or entities performing the functions of administrative entity and grant recipient, either or both, as these terms are used in the federal Act.

(3) To audit or cause audits to be made of the entities specified in subsection (2) of this section and to require auditing of their contractors in accordance with the requirements of the federal Act and applicable regulations and as sound administration may require at the discretion of the secretary.

(4) To perform such other duties as the governor may prescribe to assist the governor in carrying out the duties as prescribed by the federal Act.

SECTION 3. A NEW SECTION OF KRS CHAPTER 195 IS CREATED TO READ AS FOLLOWS:

Upon election to participate pursuant to Section 1 of this Act, the secretary of the cabinet for human resources, under the direction and control of the governor, shall have the following authority:

(1) To accept funds from the United States government allocated to the Commonwealth pursuant to the federal Act. The secretary of the cabinet for human resources is empowered to comply with such conditions and execute such agreements as may be necessary, desirable or convenient in connection with the acceptance of such funds;

(2) To allocate funds received from the United States government to carry out the various programs authorized by and in accordance with the requirements of the federal Act, applicable regulations of the United States Department of Labor and the policy of the cabinet;

(3) To adopt and enforce such policies and regulations consistent with the federal Act as may be necessary to carry out the purposes of this chapter and the duties imposed upon the governor by the federal Act to the end that job training programs afforded by the federal Act be carried out efficiently and in conformity with the requirements of the federal law and that program abuse and misexpenditure of funds received from the United States be prevented;

(4) To make and enter into all contracts and agreements necessary or incidental to the performance of his duties under this Act. Parties contracting with the cabinet as grantee agency shall be responsible for all audit exceptions;

(5) To employ such personnel as may be necessary to carry out the purposes of this chapter;

(6) To provide such review at state levels of grievances, audit related issues, and such other matters as may be required by the federal Act and applicable regulations of the United States Department of Labor. Such reviews shall be conducted solely in accordance with the requirements of the federal Act;

Decisions of the secretary of the cabinet for human resources pursuant hereto shall be reviewable solely in accordance with the terms of the federal Act.

SECTION 4. A NEW SECTION OF KRS CHAPTER 195 IS CREATED TO READ AS FOLLOWS:

Nothing in this chapter shall be construed so as to conflict with the provisions relating to the administration and oversight of federal block grant monies as set forth in KRS 45.350 to 45.359, and KRS 48.160.

The Committee on Transportation reported **SB 9** with Committee Amendment attached thereto, **SB 67, SB 86, SB 94, SB 107,** with Committee Amendment attached thereto, **SB 134, SB 191, SB 238, SB 263, SJR 46,** and **SJR 47,** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 9, AN ACT relating to traffic regulations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 189.222 is amended to read as follows:

(1) The secretary of the transportation cabinet in respect to highways which are a part of the state-maintained system, by official order, may increase on designated highways or portions thereof, the maximum height, length and gross weight prescribed in KRS 189.221, if in the opinion of said secretary, the increased height, length and weight designated by him are justified by the strength, safety and durability of the designated highways, and said highways do not appear susceptible to unreasonable and unusual damage by reason of such increases and said secretary is authorized to establish reasonable classification of such roads and to fix a different maximum for each classification. Provided, however, that any increase in the height, length or width or any motor truck or tractor semitrailer combinations or any other vehicle combinations

including any part of the body or load or designation of highways to be used by such vehicles, shall not, in any way, exceed the federal law or regulations thereunder or jeopardize the allotment or qualification for federal aid funds of the Commonwealth of Kentucky or exceed the following dimensions and weights:

(a) Height, thirteen and one-half (13 1/2) feet;

(b) Length, [~~truck tractors and~~] semitrailers, *fifty-three (53) feet; trailers, twenty-eight (28)* [~~sixty (60)~~] feet; motor trucks, forty-five (45) feet;

(c) [~~Length, truck tractor, semitrailer and trailer, sixty-five (65) feet;~~

~~(d) A tolerance of not more than five percent (5%) shall be permitted before a carrier is deemed to have violated (b) of this subsection. In no event shall the maximum length exceed sixty-five (65) feet;~~

~~(e)~~] Weight, twenty thousand (20,000) pounds per single axle, with axles less than forty-two (42) inches apart to be considered as a single axle; thirty-four thousand (34,000) pounds on two (2) axles in tandem arrangement which are spaced forty-two (42) inches or more apart and less than ninety-six (96) inches apart; fifty thousand (50,000) pounds on three (3) axles which are spaced forty-two (42) inches or more apart and less than one hundred twenty (120) inches apart. In no event shall any single axle in any arrangement exceed twenty thousand (20,000) pounds or six hundred (600) pounds per inch of the aggregate width of all the tires on a single axle, whichever is less. In no event shall the total gross weight of the vehicle and load exceed *eighty thousand (80,000)* [~~eighty-two thousand (82,000)~~] pounds;

(d)[~~(f)~~] A tolerance of not more than five percent (5%) per axle load shall be permitted before a carrier is deemed to have violated paragraph *(c)* [~~(e)~~] of this subsection. In no event shall the gross weight exceed *eighty thousand (80,000)* [~~eighty-two thousand (82,000)~~] pounds;

(e)[~~(g)~~] Truck tractor, semitrailer and trailer combinations and other vehicle combinations may be operated only on *the interstate system and on* those parts of the *federal aid highway system and the* state-maintained system which *have* [~~has~~] been designated by the secretary of the transportation cabinet by official order as safely allowing same.

(2) Vehicles exclusively engaged in the transportation of motor vehicles, unmanufactured tobacco or unmanufactured tobacco products may, on those highways which are a part of the state-maintained system and which have been designated by the secretary of the transportation cabinet by official order as safely allowing same, attain the [~~following~~] maximum lengths *as provided by subsection (1)(b) of this section,* excluding the usual and ordinary bumper overhang of the transported vehicles;

[~~(a) Truck tractors and semitrailers, sixty (60) feet;~~

~~(b) Motor trucks and trailers, sixty-five (65) feet.~~]

(3) Vehicles engaged exclusively in the transportation of farm or primary forestry products and registered under KRS 186.050(4) or KRS 186.050(9) shall be excluded from the axle weight provisions, except on interstate highways, and subject only to total gross weight provisions.

(4) Vehicles designed for and engaged exclusively in the collection and hauling of refuse and registered under KRS 186.050(3)(b) shall be excluded from the axle weight provisions, except when in operation on the federal interstate system, and subject only to total gross weight provisions.

(5) The secretary of the transportation cabinet may by order increase the weight and height limits prescribed by this chapter for motor vehicles while being operated exclusively on roads or highways being constructed, reconstructed or repaired under contract with the transportation cabinet by the contractor or subcontractor, agent or employe thereof.

(6) Notwithstanding any other provisions of this chapter, in no event may the secretary of the transportation cabinet authorize the operation of any motor vehicle or combination of motor vehicles, upon any part of the *federal aid highway system or state parkway system* [~~interstate and national defense highway system~~], which exceeds the following dimension and weights:

(a) Width, *one hundred two (102)* [~~ninety-six (96)~~] inches, including any part of the body or load;

(b) Weight, *twenty thousand (20,000)* [~~eighteen thousand (18,000)~~] pounds per single axle, with axles less than forty-two (42) inches apart to be considered as a single axle; *thirty-four thousand (34,000)* [~~thirty-two thousand (32,000)~~] pounds on two (2) axles in tandem arrangement which are spaced forty-two (42) inches or more apart and less than ninety-six (96) inches apart; forty-eight thousand (48,000) pounds on three (3) axles which are spaced forty-two (42) inches or more apart and less than one hundred twenty (120) inches apart. [~~In no event shall any single axle in any arrangement exceed eighteen thousand (18,000) pounds or six hundred (600) pounds per inch of the aggregate width of all the tires on a single axle, whichever is less.~~] In no event shall the total gross weight of the vehicle and load exceed *eighty thousand (80,000)* [~~seventy-three thousand two hundred eighty (73,280)~~] pounds; provided, however, in the event any federal law or laws or regulations thereunder are hereafter enacted authorizing weights and dimensions in excess of those set out in paragraphs (a) and (b) of this subsection, then the secretary of the transportation cabinet may by official order increase the maximum weights and dimensions but in no event shall said increased weights and dimensions exceed those set out in this section.

The Committee Amendment No. 1 to SB 9 is as follows:

Amend printed copy of **SB 9** on page 2, line 7, after the word "feet" by adding the following: "*not to exceed two (2) trailers per truck tractor*"; and

On page 3, line 3, after "*(d)*" by inserting "*Except on the interstate highway system,*"; and

On page 3, line 3, by deleting the closing bracket around the word [~~if~~] and adding a closing bracket around the word "A" and striking through the same.

SB 67, AN ACT relating to roads.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 189.221 is amended to read as follows:

No person shall operate on any highway, except such highways as may be designated by the secretary of transportation under the provisions of subsection (1) of KRS 189.222, any of the following trucks, trailers, mobile homes or vehicles:

(1) Any motor truck, semitrailer, trailer, mobile home or vehicle which exceeds 11 1/2 feet in height or 96 inches in width, including any part of the body or load;

(2) Any motor truck, except a semitrailer truck, which exceeds 26 1/2 feet in length, including any part of the body or load;

(3) Any semitrailer truck which exceeds 30 feet in length, including any part of the body or load;

(4) Any truck, semitrailer truck or truck and trailer unit which exceeds *36,000* [~~18,000~~] pounds gross weight, including the load;

(5) Any truck, semitrailer truck or tractor-trailer unit which exceeds a gross weight equal to the sum of 600 pounds per inch of the combined width of the tires upon which such vehicle may be propelled, but in no event more than *36,000* [~~18,000~~] pounds.

(6) Notwithstanding the provisions of this section, any truck hauling building materials to a road construction project on a highway rated less than the maximum weight provided above, may haul up to 80,000 pounds gross weight, including the load, without a permit. This privilege shall extend only to travel between the materials manufacturing site and the road construction project and shall be automatically rescinded upon completion of said project.

SB 86, AN ACT relating to fire fighters.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 95A.210 is amended to read as follows:

As used in KRS 95A.200 to 95A.300, unless the context otherwise requires:

(1) "Commission" means the commission on fire protection personnel standards and education established pursuant to KRS 95A.020.

(2) "Fund" means professional fire fighters foundation program fund.

(3) "Local government" means *a* [~~any~~] city, [~~or~~] county[~~,~~] or [~~any~~] combination thereof, [~~or~~] urban-county government *or airport board, airboard or board as defined by KRS 183.011(6),* of the Commonwealth.

(4) "Professional fire fighter" means any member of a paid municipal fire department organized under KRS Chapter 95 or a fire protection district organized under KRS Chapter 75, or a county fire department created pursuant to KRS Chapter 67.

SB 94, AN ACT relating to motor vehicle license plates.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 186.042 is amended to read as follows:

(1) On the application of any person who has lost the use of a leg or both legs, or an arm or both arms, or any combination thereof, or any person who is blind, the transportation cabinet shall issue the handicapped person special registration plates or renewal decals designating the vehicle licensed as belonging

to a handicapped person. The license plate or renewal decal may be issued for a passenger car as set forth in KRS 186.050(1) or for a commercial vehicle as set forth in KRS 186.050(3)(a). The registration plates issued shall bear a handicapped insignia approved by the cabinet, reading from left to right and shall be followed by such numbers or letters as the cabinet finds expedient. The cabinet shall not issue registration plates so designated to any person other than a handicapped person. The cabinet shall not charge any fee, other than the regular fee for annual registration, for the issuance of the registration plates or renewal decals.

(2) Upon the sale or transfer of a vehicle licensed as authorized under this section, the owner shall remove the license plate and return it and the certificate of title and registration to the county clerk. The clerk shall issue a regular license plate and certificate of title and registration upon the payment of an eleven dollar fifty cent ($11.50) state fee and a one dollar ($1) clerk's fee. When the special plate has been presented to the clerk, he shall reissue same free of charge by the transportation cabinet and upon payment of a one dollar ($1) clerk's fee, for use on any other vehicle owned by the same person who purchased the special plate for the current licensing period. The license plate and decal on this other vehicle shall be turned in to the county clerk, who will forward the license plate to Frankfort.

(3) When a motor vehicle bearing plates issued to a handicapped person as prescribed in this section is being operated by or for the benefit of the handicapped person, the motor vehicle may be parked for a period of two (2) hours in excess of the legal parking period permitted by local authorities except where local ordinances or police regulations prohibit parking on a highway for the purpose of creating a fire lane or where the ordinances or police regulations provide for the accommodation of heavy traffic during morning, afternoon or evening hours or where the motor vehicle is parked in such a manner as to clearly be a traffic hazard.

(4) Registration under this section shall expire *July* [~~December~~] 31.

(5) The cabinet may make such rules and regulations as it deems necessary to further the purpose of this section.

SB 107, AN ACT relating to traffic regulations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 189 IS CREATED TO READ AS FOLLOWS:

(1) Notwithstanding any other provision of KRS Chapter 189, the department of vehicle regulation shall issue special permits to the owners, operators or lessees of equipment used primarily for soil conservation purposes, residential construction purposes, and public utility service purposes, and other specialized equipment, such as oil well or mine equipment and truck cranes and loaders, for the purpose of moving said equipment, whose gross weight or dimensions exceed those limits established by this chapter.

(2) All special permits issued pursuant to this section shall be issued at the twelve (12) district offices of the department of highways.

(3) A special permit shall be issued only for the movement of a specific vehicle or a combination of vehicles hauling or towing a specific overweight or overdimensional load or machine, or for the movement of a specific overdimensional or overweight machine or piece of equipment. This requirement, however, shall in no way prohibit the issuance of a special permit for multiple trips.

(4) A special permit shall only be issued for vehicles which are properly licensed in Kentucky, if the vehicles are required to be licensed as motor vehicles in Kentucky.

(5) The special permit will only be issued for movement within the county in which the vehicle is based or the applicant maintains headquarters and movement into an adjoining county and return to headquarters and only on those highways or parts of highways specifically listed in the permit.

(6) A special permit will not be issued for vehicles or machines which exceed fourteen feet (14') in width. Any blade or bucket attached to the equipment which exceeds fourteen feet (14') in width must be removed for highway movement. A blade which has been removed may be moved on the truck without being considered a divisible load.

(7) Permits may be issued by the department for stated periods, special purposes and unusual conditions, and upon such terms in the interest of public safety and the preservation of the highways as the department may, in its discretion, require.

(8) One (1) lead escort vehicle shall accompany equipment on two (2) lane highways if the blade or bucket extends over the bed of the transporting vehicle if the width of the equipment exceeds ten feet six inches (10'6"). One (1) lead escort vehicle and one (1) following escort vehicle shall accompany equipment on two (2) lane highways if the width of the equipment exceeds twelve feet (12').

(9) No person shall operate any motor vehicle in violation of the terms of the permit.

The Committee Amendment No. 1 to **SB 107** is as follows:

Amend printed copy of **SB 107** on page 1, line 15, after the word "*highways*" by adding the following language "*or if requested by the applicant, the permit shall be issued through the transportation cabinet offices in Frankfort*".

SB 134, AN ACT relating to local air boards.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 183.132 is amended to read as follows:

(1) Any city or county, or city and county acting jointly, or any combination of two (2) or more cities and/or counties may establish a nonpartisan air board composed of six (6) members, *or any city and county jointly other than an urban-county government established pursuant to KRS Chapter 67A may establish a nonpartisan board composed of ten (10) members, or any existing six (6) member board, except a board established in an urban-county government, may be expanded to ten (10) members by joint action of the county and city.*

(2) The board shall be a body politic and corporate with the usual corporate attributes, and in its corporate name may sue and be sued, contract and be contracted with and do all things reasonable or necessary to effectively carry out the duties prescribed by statute. The board shall constitute a legislative body for the purposes of KRS 183.630 to 183.740.

(3) The members of an air board *composed of six (6) members* shall be appointed as follows:

(a) If the air board is established by a city, such members shall be appointed by the mayor of the city;

(b) If the air board is established by a county, such members shall be appointed by the county judge/executive;

(c) If the air board is established as a joint city-county air board such members shall be appointed jointly by the mayor of the city and the county judge/executive;

(d) If a combination of cities and/or counties establishes a joint air board, the mayors and/or county judge/executives involved shall jointly choose six (6) members, and shall jointly choose successors.

(4) *The members of an air board composed of ten (10) members shall be appointed as follows:*

(a) Five (5) members shall be appointed by the mayor of the city, without approval of the legislative body;

(b) Five (5) members shall be appointed by the county judge/executive without approval of the other members of the fiscal court.

(5) Members of the board *composed of six (6) members,* shall serve for a term of four (4) years each, and until their successors are appointed and qualified, provided, however, that initial appointments shall be made so that two (2) members are appointed for two (2) years, two (2) members for three (3) years and two (2) members for four (4) years. Upon expiration of these staggered terms, successors shall be appointed for a term of four (4) years.

(6) Members of the board composed of ten (10) members, shall serve for a term of four (4) years each, and until their successors are appointed and qualified, provided however that the mayor and the county judge shall each make their initial appointments so that one (1) member is appointed for two (2) years, two (2) members are appointed for three (3) years, and two (2) members are appointed for four (4) years; except that if an existing six (6) member board is being increased to a ten (10) member board, initial appointments of the four (4) new members shall be made so that the mayor and the county judge each appoint one (1) member for two (2) years and one (1) member for four (4) years. Upon expiration of these initial terms, successors shall be appointed for a term of four (4) years.

(7)[~~(5)~~] Members of the board shall serve without compensation but shall be allowed any reasonable expenses incurred by them in the conduct of the affairs of the board. The board shall, upon the appointment of its members, organize and elect officers. The board shall choose a chairman and vice chairman who shall serve for terms of one (1) year. The board shall also choose a secretary-treasurer who may or may not be a member of the board. The board may fix a salary for the secretary-treasurer and the secretary-treasurer shall execute an official bond to be set and approved by the board, and the cost thereof shall be paid by the board.

(8)[~~(6)~~] The board may employ necessary counsel, agents and employes to carry out its work and functions, and prescribe such rules and regulations as it deems necessary.

(9)[~~(7)~~] The secretary-treasurer shall keep the minutes of all meetings of the board and shall also keep a set of books showing the receipts and expenditures of the board. He shall preserve on file duplicate vouchers for all expenditures and shall present to the board, upon request, complete reports of all financial transactions and the financial condition of the board. Such books and vouchers shall at all times be subject to examination by the legislative body or bodies by whom the board was created. He shall transmit at least once

annually a detailed report of all acts and doings of the board to the legislative body or bodies by whom the board was created.

(10)[~~(8)~~] In the event that a joint air board is created by cities and/or counties, and thereafter a city or cities or county or counties desire to withdraw from participation, then the remaining participants may jointly choose a successor member or members of the board. No such withdrawing city or cities, county or counties shall be entitled to return of any moneys or property advanced such board.

(11)[~~(9)~~] A quorum for the transacting of the business of *a six (6) member* [~~the~~] board shall consist of four (4) members*, and of a ten (10) member board shall consist of six (6) members*. Meetings of the board may be called by the chairman or by four (4) members. In case of tie voting by the board, the issue shall be deemed to have failed passage.

(12)[~~(10)~~] A board member may be replaced by the appointing authority upon a showing to such authority of misconduct as a board member or upon conviction of a felony. No board member shall hold any official office with the appointing authority.

SB 191, AN ACT relating to reorganization.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 235.010 is amended to read as follows:

As used in this chapter unless the context clearly requires a different meaning:

(1) "Vessel" means every description of watercraft, other than a seaplane on the water, used or capable of being used as a means of transportation on water;

(2) "Motorboat" means any vessel propelled by machinery, whether or not such machinery is the principal source of propulsion;

(3) "Owner" means a person, other than a lienholder, having the property in or title to a motorboat. The term includes a person entitled to the use or possession of a motorboat subject to an interest in another person, reserved or created by agreement and securing payment or performance of an obligation, but the term excludes a lessee under a lease not intended as security;

(4) "Waters of this state" means any waters within the territorial limits of this state;

(5) "Person" means an individual, partnership, firm, corporation, association, or other entity;

(6) "Operate" means to navigate or otherwise use a motorboat or a vessel;

(7) "Department" means the department of natural resources and environmental protection;

(8) "Bureau" means the bureau of natural resources;

(9) "License" and "certificate of number" as used herein are synonymous;

(10) "Clerk" means circuit court clerk;

(11) "Division of water patrol" means the *division of water patrol* [~~water enforcement section~~], bureau of natural resources[~~;~~

~~(12) "Division of driver licensing" means the licensing division, bureau of vehicle regulation, department of transportation~~].

Section 2. KRS 235.030 is amended to read as follows:

This chapter shall be known as the state boating act and shall be administered by the division of water patrol [~~and the division of driver licensing~~] within the *natural resources and environmental protection cabinet* [~~bureau of vehicle regulation~~].

Section 3. KRS 235.190 is amended to read as follows:

(1) Any holder of a certificate of number shall notify the department within fifteen (15) days if his address no longer conforms to the address appearing on the certificate and shall, as a part of such notification, furnish the department with his new address. The division of *water patrol* [~~driver licensing~~] may provide in its rules and regulations for the surrender of the certificate bearing the former address and its replacement with a certificate bearing the new address or for the alteration of an outstanding certificate to show the new address of the holder.

(2) Any holder of a certificate shall give notice to the division of *water patrol* [~~driver licensing~~] within fifteen (15) days of the theft or recovery of a vessel to which he is the holder of the certificate of number.

Section 4. KRS 235.220 is amended to read as follows:

(1) Every manufacturer of, or dealer in motorboats in this state shall register with the [~~transportation~~] cabinet at Frankfort, Kentucky, and pay an annual registration fee of twenty-five dollars ($25) to the department. Upon receipt of this fee the department shall issue to the manufacturer or dealer a certificate of number and a plate bearing the number assigned, which plate shall be so designed that it can be transferred from boat to boat. Every manufacturer or dealer registered under this section shall be furnished additional dealer certificates of number and plates upon the payment of two dollars ($2) for each additional certificate of number desired. A motorboat bearing dealer's plates and carrying a dealer's certificate of

number may be used only by a member of the firm registered or by a bona fide salesman or employe of the firm for any purpose reasonably connected with the sale or demonstration for sale and delivery of the dealer's motorboat or by any manufacturer or dealer licensed as provided above in transporting any motorboat over the waters of this state to his place of retail business for the manufacturer or wholesale dealer in motorboats and for no other purpose.

(2) Every motorboat dealer or manufacturer who acquires a used motorboat for cash, trade-in or in any other manner, shall within fifteen (15) days from date of acquisition have the registration transferred to himself. All original and subsequent transfers shall be in accordance with the procedures set forth in KRS 235.130 and any rules and regulations subsequent thereto.

(3) The license of any dealer or manufacturer may be suspended or revoked by the [~~transportation~~] cabinet for a violation of any section of this statute. Such persons shall be afforded a full opportunity to defend themselves against any such charges at a hearing set by this department.

Section 5. KRS 235.320 is amended to read as follows:

The director of the division of water patrol, with approval of the secretary of the natural resources and environmental protection cabinet, [~~and the division of driver licensing, with the approval of the commissioner of the department of vehicle regulation,~~] may promulgate any rules and regulations not inconsistent herewith to carry out the purposes of this chapter.

Section 6. The general assembly confirms Executive Order 83-1024, transferring the boating section from the department of vehicle regulation, transportation cabinet, to the department of natural resources, natural resources and environmental protection cabinet to the extent that it is not otherwise confirmed by this Act.

SB 238, AN ACT relating to state government.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 174 IS CREATED TO READ AS FOLLOWS:

(1) The department of rural and municipal aid is created as a major organizational unit within the transportation cabinet. The department shall be headed by a commissioner who may be designated as a deputy secretary of transportation for operational purposes. The commissioner shall be appointed by the governor pursuant to KRS 12.040 and shall be directly supervised by and responsible to the secretary.

(2) The department of rural and municipal aid shall be responsible for the development and implementation of the rural secondary program and such other functions as are assigned by the secretary, except that the department shall not have jurisdiction over the county road aid program or municipal road aid program unless an agreement initiated by a county or municipality is in effect.

(3) The department of rural and municipal aid shall include an assistant state highway engineer for rural and municipal aid appointed pursuant to KRS Chapter 12 by the secretary upon the recommendation of the state highway engineer of the department of highways.

Section 2. KRS 174.040 is amended to read as follows:

The secretary shall have any and all necessary power and authority, subject to appropriate provisions of the statutes, to create such positions and to employ the necessary personnel in such positions to enable the secretary to perform the functions of the department. The *commissioner of the department of highways shall serve as chief deputy secretary of the cabinet. The commissioner of the department of rural and municipal aid and the commissioner of the department of vehicle regulation may be designated as deputy secretaries for operational purposes* [~~secretary shall designate a person to act as deputy for him in the exercise of his duties in his absence~~].

Section 3. KRS 177.320 is amended to read as follows:

(1) Twenty-two and two-tenths percent (22.2%) of all funds arising from the imposition of taxes provided by KRS 138.220, 138.565, 138.660(1) and (2) and 234.320 shall be set aside for the construction, reconstruction and maintenance of secondary and rural roads and for no other purpose, and shall be expended for said purposes by the transportation cabinet of the Commonwealth of Kentucky according to the terms and conditions prescribed in KRS 177.330 to 177.360.

(2) On or after July 1, 1980, fifteen and six-tenths percent (15.6%) of all funds arising from the imposition of taxes provided by KRS 138.220, 138.565, 138.660 and 234.320 shall be set aside for the construction, reconstruction and maintenance of county roads and bridges provided by KRS 179.410 through 179.415.

(3) All funds set aside in subsection (2) of this section for the construction, reconstruction and maintenance of county roads and bridges shall be allocated to the county in accordance with the formula established in KRS 177.360(1) pursuant to KRS 179.410.

Section 4. KRS 177.330 is amended to read as follows:

(1) At least once in each calendar year the *department of rural and municipal aid* [~~bureau of highways~~], through a duly authorized representative, shall consult with the fiscal courts of the various counties for the purpose of receiving recommendations from said fiscal courts for the selection of *state maintained* secondary and rural roads lying within said counties for construction, reconstruction or maintenance *under the rural and secondary road program as set forth in KRS 177.320(1).* The *department of rural and municipal aid* [~~bureau of highways~~] shall *in addition* give due consideration to the recommendations of the various fiscal courts with reference to the selection of *county* [~~secondary and rural~~] roads for construction, reconstruction or maintenance *under the rural and secondary road program* and *the department of highways* shall, provided agreement is reached, proceed to construct, reconstruct or maintain such roads as are agreed upon in accordance with the provisions of KRS Chapters 177 and 179.

(2) Where the construction of a secondary or rural road through an incorporated town of the fifth or sixth class is necessary, as determined by the *department of rural and municipal aid* [~~bureau of highways~~], it shall not be necessary for the *department* [~~bureau of highways~~] to consult with the fiscal court of the county wherein the said town is situated and said road may be constructed, reconstructed or maintained at the discretion of the *department of rural and municipal aid* [~~bureau of highways~~].

Section 5. KRS 177.340 is amended to read as follows:

If, within thirty (30) days after receiving recommendations from any fiscal court, the *department of rural and municipal aid* [~~bureau of highways~~] and the fiscal court shall fail to agree on the selection of any secondary or rural roads for construction, reconstruction or maintenance *under the rural and secondary road program*, the *department* [~~bureau~~] may proceed toward the construction, reconstruction or maintenance of any road, lying within a county with which agreement has not been reached, which, in its discretion, is essential to a system of secondary highways. Secondary or rural road or roads, constructed, reconstructed or maintained in accordance with agreement between the affected county and the *department of rural and municipal aid* [~~bureau~~], or selected for construction, reconstruction or maintenance by the *department of rural and municipal aid* [~~bureau~~], at its discretion, without agreement with the affected county, may become a part of the highway system of the Commonwealth of Kentucky at the discretion of the *department* [~~bureau~~] of highways.

Section 6. KRS 177.350 is amended to read as follows:

The *department* [~~bureau~~] of highways is authorized to establish standards for the construction, reconstruction, maintenance and improvement of *state maintained* secondary and rural roads in the Commonwealth of Kentucky; to continue such studies, make such surveys, prepare such maps, employ such personnel and obtain such equipment as may be necessary for the establishment and maintenance of an integrated system of secondary and rural roads in the Commonwealth of Kentucky.

Section 7. KRS 177.360 is amended to read as follows:

(1) The *department of rural and municipal aid* [~~bureau of highways~~] shall allocate the funds set apart *under KRS 177.320(1)* for construction, reconstruction and maintenance of *state maintained* secondary and rural highways [~~by the provisions of KRS 138.220~~] as follows:

(a) One-fifth (1/5) shall be apportioned equally among the one hundred twenty (120) counties.

(b) One-fifth (1/5) shall be apportioned among the one hundred twenty (120) counties on the basis of the ratio which the rural population of each county bears to the total rural population of the state. "Rural population" as used here means the population in a county outside cities, towns and urban areas having a population of twenty-five hundred (2,500) or more as shown by the most recent decennial census of the United States bureau of the census, and county population shall be determined by the most recent decennial census of the United States bureau of the census.

(c) One-fifth (1/5) shall be apportioned among the one hundred twenty (120) counties on the basis of the ratio that the public road mileage outside of cities, towns and urban areas having a population of twenty-five hundred (2,500) or more bears to the total mileage of such roads for the entire state.

(d) Two-fifths (2/5) shall be apportioned among the one hundred twenty (120) counties on the basis of the ratio which the square-mile rural area of the county bears to the total square-mile rural area of the state. "Rural area" as used here means that area of the county outside of cities, towns and urban areas having a population of twenty-five hundred (2,500) or more and shown by the most recent decennial census of United States bureau of the census.

(2) A *sum not exceeding six percent (6%)* [~~pro rata share~~] of the allocation *provided by KRS 177.320(1)* to each county shall be deducted at the beginning of each fiscal year and adjusted quarterly to cover the maintenance, administrative, engineering and other costs of the program.

(3) Of the total amount apportioned by the provisions of this section, a sum not exceeding six percent (6%) may be deducted and placed by the *department of rural and municipal aid* [~~bureau of highways~~] in a special emergency account to be expended at the direction of the commissioner [~~of highways~~] to meet unforeseen emergencies on rural and secondary roads and bridges.

(4) Apportionments as required by the provisions of this section shall be made on the basis of revenue estimates supplied by the department of revenue and adjusted quarterly in accordance with the most recent

revision of the estimates by the department of revenue.

Section 8. KRS 179.400 is amended to read as follows:

(1) The fiscal court of any county receiving state aid shall appropriate sufficient money to keep all county roads in the county in good repair and free from obstructions. The cost of all repairs and removals of obstruction shall be paid by the treasurer of the county upon the order of the fiscal court, and all bills for repairs or for removal of obstructions shall be verified by affidavit, and shall be certified to be correct by the county engineer.

(2) The fiscal court of any county receiving state aid may, if it deems proper, enter into contract or cooperative agreement with the department of rural and municipal aid for the construction, reconstruction and maintenance of county roads and bridges selected by the fiscal court. Any contract or cooperative agreement shall designate those roads which the department shall be required to construct, reconstruct or maintain and shall not be in excess of the projected county allotment for any one fiscal year. The county shall not be responsible for payment to the department any costs not specified with the contract or cooperative agreement.

Section 9. KRS 179.410 is amended to read as follows:

The department of finance shall allocate the sum appropriated by the general assembly *from* the funds arising under the provisions of KRS 177.320(2), for the construction, reconstruction, improvement, and maintenance of county roads and bridges in accordance with the provisions of KRS 177.360*(1)*.

Section 10. KRS 18A.115 is amended to read as follows:

(1) The classified service to which KRS 18A.005 to 18A.200 shall apply shall comprise all positions in the state service now existing or hereafter established, except the following:

(a) The general assembly and employes of the general assembly including the employes of the legislative research commission;

(b) Officers elected by popular vote and persons appointed to fill vacancies in elective offices;

(c) Members of boards and commissions;

(d) Officers and employes on the staff of the governor, the lieutenant governor, the office of the secretary of the governor's cabinet, and the office of program administration;

(e) Cabinet secretaries, commissioners, office heads, and the administrative heads of all boards and commissions, including the executive director of Kentucky Educational Television;

(f) Employes of Kentucky Educational Television who have been determined to be exempt from classified service by the Kentucky Authority for Educational Television, which shall have sole authority over such exempt employes for employment, dismissal and setting of compensation, up to the maximum established for the executive director and his principal assistants;

(g) One (1) principal assistant or deputy for each person exempted under subsection (1)(e) of this section;

(h) One (1) additional principal assistant or deputy as may be necessary for making and carrying out policy for each person exempted under subsection (1)(e) of this section in those instances in which the nature of the functions, size or complexity of the unit involved are such that the commissioner approves such an addition on petition of the relevant cabinet secretary or department head and such other principal assistants, deputies, or other major assistants as may be necessary for making and carrying out policy for each person exempted under subsection (1)(e) of this section in those instances in which the nature of the functions, size or complexity of the unit involved are such that the board may approve such an addition or additions on petition of the department head approved by the commissioner;

(i) Division directors subject to the provisions of KRS 18A.170. Division directors in the classified service as of January 1, 1980, shall remain in the classified service;

(j) Physicians employed as such;

(k) One (1) private secretary for each person exempted under subsections (1)(e), (1)(g) and (1)(h) of this section;

(l) The judicial department, referees, receivers, jurors, and notaries public;

(m) Officers and members of the staffs of state universities and colleges and student employes of such institutions; and officers, teachers, and employes of local boards of education;

(n) Patients or inmates employed in state institutions;

(o) Persons employed in a professional or scientific capacity to make or conduct a temporary or special inquiry, investigation, or examination on behalf of the general assembly, or a committee thereof, or by authority of the governor, and persons employed by state agencies for a specified, limited period to provide professional, technical, scientific, or artistic services under the provisions of KRS 45.700 to 45.720;

(p) Seasonal, temporary, and emergency employes;

(q) Federally funded time-limited employes;

(r) Officers and members of the state militia;

(s) State police troopers and sworn officers in the bureau of state police, department of justice;

(t) University or college engineering students or other students employed part-time or part-year by the state through special personnel recruitment programs; provided that while so employed such aides shall be under contract to work full-time for the state after graduation for a period of time approved by the commissioner or shall be participants in a cooperative education program approved by the commissioner;

(u) Superintendents of state mental institutions, including heads of mental retardation centers, and penal and correctional institutions as referred to in KRS 196.180(2);

(v) Staff members of the Kentucky Historical Society, if they are hired in accordance with KRS 171.311;

(w) County and commonwealth's attorneys and their respective appointees*;*

(x) Chief district engineers and the state highway engineer.

(2) Nothing in KRS 18A.005 to 18A.200 is intended, or shall be construed, to alter or amend the provisions of KRS 150.022 and 150.061.

(3) Nothing herein is intended or shall be construed to affect any nonmanagement, nonpolicy-making position which must be included in the classified service as a prerequisite to the grant of federal funds to a state agency.

(4) Classified employes with status promoted to positions exempted from classified service shall, upon termination of their employment in the exempted service, revert to a position in that class in the agency from which they were terminated if a vacancy in that class exists. If no such vacancy exists, they shall be considered for employment in any vacant position for which they were qualified pursuant to KRS 18A.130 and 18A.135.

(5) Nothing herein shall be construed as precluding appointing officers from filling nonclassified positions in the manner in which positions in the classified service are filled except as otherwise provided herein.

Section 11. Except as provided by this Act, the general assembly confirms executive order 83-72, issued December 29, 1983, to the extent that said order is not otherwise confirmed by this Act. Such confirmation shall include the following:

(1) Reorganization of the department of highways, which is reaffirmed as a major organizational unit within the transportation cabinet, by:

(a) Creating the position of assistant state highway engineer for administration and research appointed under KRS Chapter 12 by the secretary of transportation upon the state highway engineer's recommendation. The assistant state highway engineer shall be responsible for developing, coordinating and implementing an engineering scholarship program and for such functions as the state highway engineer may prescribe.

(b) Creating the division of specialized programs, headed by a director appointed under KRS 12.050 upon the recommendation of the state highway engineer with approval of the governor. The director shall be responsible for the development and implementation of such specialized programs as the state highway engineer may prescribe. The specifications staff and estimating staff shall be included within the division of specialized programs.

(c) Creating the transportation institute division, headed by a director appointed pursuant to KRS 12.050, who shall be responsible for coordinating research and service efforts of the department and the university of Kentucky college of engineering, the transportation research program and such functions as the state highway engineer may prescribe.

(d) Change the name of the division of project development to the division of planning, to be headed by a director appointed under KRS Chapter 18A with responsibility for project development.

(e) Reaffirm the division of environmental analysis, headed by a director appointed under KRS Chapter 18A, which shall be responsible for consideration of the effects of transportation proposals on social, economic and environmental matters.

(2) Transfer the divisions of mass transportation, except for the aeronautics function, from the department of vehicle regulation to the department of highways. The divisions shall be headed by a director appointed under KRS Chapter 18A, who shall be responsible for administration of energy, conservation, metropolitan transportation, rail transportation and freight transportation programs. The director shall report through the state highway engineer.

(3) Abolition of the division of utilities in the department for financial and legal affairs and transfer of the division's functions, personnel and funds to the division of right of way in the department of highways as a branch to be headed by a manager. The manager shall be responsible for developing and coordinating utility and railroad programs.

(4) Change the name of the office of contract management to the division of contract procurement and transfer it, with the exception of the minority business enterprise functions, from the secretary of the transportation cabinet to the department of highways. The director of the division of contract procurement shall report through the assistant state highway engineer for construction.

(5) Transfer the division of equipment from the department of administration to the department of highways. The division shall be headed by a director appointed under KRS 12.050 on the recommendation of the state highway engineer with the approval of the governor. The director shall be responsible for determining and providing for equipment requirements, utilization and maintenance.

(6) Direct that each highway district office shall be headed by a chief district engineer appointed by the secretary upon the recommendation of the state highway engineer. The position of chief district engineer shall be a position in the unclassified service. The chief district engineers shall be responsible for administering the highway program in their respective districts under the supervision of the secretary and shall report to the secretary. Each district office shall be assigned an administrative assistant who shall perform such functions and duties as prescribed by the secretary and shall be responsible to the secretary.

(7) Reaffirm the counties comprising each of the 12 highway district offices as set forth in executive order 81-132 which was ratified by the general assembly in 1982 Kentucky Acts, Chapter 184.

(8) Creation of a division of rural and municipal aid within the department of rural and municipal aid. The division shall be headed by a director appointed by the secretary with the approval of the governor pursuant to KRS Chapter 12.

(9) Authorization for the commissioner of rural and municipal aid, pursuant to KRS Chapters 12 and 18A, to employ such staff as is necessary to perform the duties, functions and responsibilities of the department.

(10) Reaffirmation that the department of vehicle regulation is a major organizational unit within the transportation cabinet and is headed by a commissioner, appointed pursuant to KRS 12.040, who shall perform the duties, functions, powers and responsibilities of the department prescribed by law under the direct supervision of the secretary, to whom the commissioner shall be directly responsible.

(11) Authorization for the commissioner of the department of vehicle regulation, pursuant to KRS Chapters 12 and 18A, to employ such personnel as is necessary to perform the duties, functions and responsibilities of the department.

(12) Reaffirm executive order 82-560 which transfers the division of motor vehicle enforcement from the department of state police of the justice cabinet to the department of vehicle regulation.

Section 12. The general assembly does not confirm that portion of executive order 83-72 that transferred Magoffin County from highway district 10 to highway district 12. The portions of executive order 83-72 relating to chief district engineers, and the state highway engineer are confirmed only to the extent provided by this Act.

SB 263, AN ACT relating to traffic regulations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 189.270 is amended to read as follows:

(1) The bureau may prescribe, by orders of general application, rules and regulations for the issuance by it of permits for the operation of motor vehicles, mobile homes, [~~and~~] recreational vehicles *and vehicles transporting microwave satellite television antennae,* whose gross weight including load, height, width or length exceeds the limits prescribed by this chapter or which in other respects fail to comply with the requirements of this chapter. Permits may be issued by the department for stated periods, special purposes and unusual conditions, and upon such terms in the interest of public safety and the preservation of the highways as the department may, in its discretion, require. The department shall require, as a condition to the issuance of the permit, that the applicant pay a fee of thirty dollars ($30.00) for each overweight or overdimension permit; a fee of twenty dollars ($20.00) for each single trip house trailer permit; a fee of eighty dollars ($80.00) for each annual *overdimension* [~~house trailer~~] permit; and may require that the applicant give bond, with approved surety, to indemnify the state or counties against damage to highways or bridges resulting from use by the applicant. The operation of motor vehicles, mobile homes and recreational vehicles in accordance with the terms of any such permit shall not constitute a violation of this chapter if the operator has the permit, or a copy of it, authenticated as the department may require, in his possession.

(2) No person shall operate any motor vehicle, mobile home or recreational vehicle in violation of the terms of the permit.

SJR 46, A JOINT RESOLUTION directing the Department of Highways to name the soon to be constructed Greenup Dam Bridge in memory of Jesse Stuart.

WHEREAS, Jesse Hilton Stuart had an abiding love for Kentucky and, as a natural storyteller, the ability to express it; and

WHEREAS, Jesse Stuart expressed his love for the Kentucky land and its people in more than 2100 poems, hundreds of short stories and 52 books; and

WHEREAS, Jesse Stuart not only immortalized Appalachian life in the course of his literary career, but was named Kentucky's Poet Laureate and received the highest award given to a Kentucky citizen - The Governor's Distinguished Medal of Public Service; and

WHEREAS, Jesse Stuart, in addition to being a distinguished and prolific writer, was an innovative teacher and educator, and a dedicated conservationist who was described as "A Commonwealth Treasure"; and

WHEREAS, it is fitting to memorialize the life and work of one of Kentucky's most beloved sons;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Department of Highways be directed to name the soon to be constructed Greenup Dam Bridge in memory of Jesse Hilton Stuart. This action, the General Assembly feels, is merited in view of Jesse Stuart's contributions to the Commonwealth during a long and illustrious career in letters and public service.

Section 2. That a copy of this resolution be transmitted to the Secretary of the Transportation Cabinet.

SJR 47, A JOINT RESOLUTION directing the Kentucky department of highways to name the soon to be constructed South Shore Bridge in honor of U.S. Congressman Carl D. Perkins.

WHEREAS, U.S. Congressman Carl D. Perkins has represented the constituents of Kentucky's 7th Congressional District with integrity, compassion and an abiding sense of social justice for more than 35 years; and

WHEREAS, Congressman Perkins' legislative record includes the Interstate Highway Act of 1956, the Basic Adult Education Act of 1961, the Manpower Development and Training Act of 1962 and the Vocational Education Act of 1963, as well as work to establish Social Security disability, black lung and child nutrition programs, and the Appalachian Regional Commission; and

WHEREAS, Congressman Perkins has sponsored legislation which has resulted in increased employment training, improved health care, greatly expanded educational opportunities, modern highway facilities and the betterment of the quality of life for all Kentuckians; and

WHEREAS, Congressman Perkins has honored Kentucky by being a respected advisor to Presidents and the longest serving committee chairman in the history of the House of Representatives; and

WHEREAS, it is fitting that Kentucky's longtime friend, advocate and defender be honored for a lifetime of dedicated public service;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Department of Highways be directed to name the soon to be constructed South Shore Bridge in honor of U.S. Congressman Carl D. Perkins. This action, the General Assembly feels, is merited in view of Congressman Perkins' contributions to the Commonwealth during a tenure in office that has spanned 4 decades.

Section 2. That a copy of this resolution be transmitted to the Secretary of the Transportation Cabinet and Congressman Perkins.

Calendar

HB 775, HB 798, HCR 90, SB 208, HB 941, HB 974, SB 156, HB 406, HB 474, HB 475, and **HB 948** taken from the Calendar and ordered read at length for the second time. Representative LeMaster moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Recess

Representative LeMaster moved that the House recess for thirty minutes for majority caucus. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 126, HB 290,** and **HB 427** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 3:05 p.m.)

HB 126, HB 290, and **HB 427** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Orders of the Day

SB 276, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Gedling moved the adoption of the Committee Amendment No. 1 to **SB 276.** Agreed.

Representative Gedling moved that **SB 276,** as amended, be passed.

On the roll call the vote was yeas 72-Allen, Arnold, Bendl, Bennett, Blevins, Brinkley, Bronger, Brown, Burch, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Craddock, Crupper, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Harper, Head, Hines, Holbrook, Johnson, T. Jones, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, McBee, McElroy, Meyer, Moberly, Moore, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Worthington, Yates. Nays 9-Bruce, Burnette, Curd, Ellington, Layman, McNutt, Noland, Robinson, Turner.

SB 276, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 276,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 864, with Committee Substitute and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Smith moved the adoption of the Committee Substitute to **HB 864.** Agreed.

Representative B. Smith moved that **HB 864,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 78-Arnold, Barrows, Bendl, Bennett, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Head, Hines, Johnson, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, O'Brien, Pearman, Perkins, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 12-Allen, Caldwell, Deskins, Ellington, Harper, Layman, Moore, Noland, Overstreet, Patrick, Reinhardt, Williams.

HB 864, by way of Committee Substitute, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 864,** by way of Committee Substitute, was passed be reconsidered and said motion be placed on the table. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 194** and **SB 256** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 3:11 p.m.)

Orders of the Day (continued)

HB 992, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Bennett moved the adoption of the Committee Amendment No. 1 to **HB 992.** Agreed.

Representative Bennett moved that **HB 992,** as amended, be passed.

Representative Pearman moved the adoption of the Floor Amendment No. 2 to **HB 992.**

On the roll call the vote was yeas 68-Allen, Arnold, Barrows, Blevins, Brinkley, Burch, Caldwell, Clapp, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray Guenthner, Hancock, Harper, Head, Heleringer, Holbrook, Holloway, Johnson, R. Jones, Kidd, Layman, Lefevers, LeMaster, Lile, List, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Meyer, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Petty, Rapier, Rattliff, Reinhardt, B. Richardson, P. Richardson, Robinson, B. Smith, Stone, Stumbo, Thomason, Todd, Turner, White, Worthington. Nays 22- Bennett, Bronger, L. Clark, P. Clark, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Handy, Little, Mann, Moberly, Moore, Perkins, Priddy, Seum, F. Smith, Thomas, Van Horn, Williams, Yates.

Floor Amendment No. 2 to **HB 992** was adopted.

Representative F. Smith moved the adoption of the Floor Amendment No. 3 to **HB 992.**

On the roll call the vote was yeas 37-Barrows, Bennett, Blandford, Blevins, Bronger, Burch, Burnette, L. Clark, P. Clark, Cyrus, Deskins, Donnermeyer, Dunn, Gedling, Gray,. Handy, Heleringer, Hines, Johnson, T. Jones, LeMaster, Little, Maggard, Mann, Meyer, Moberly, Morris, Noe, Perkins, Priddy, Seum, F. Smith, Stone, Stumbo, Van Horn, Williams, Yates. Nays 49-Allen, Arnold, Caldwell, Clarke, Cowan, Craddock, Crupper, Curd, Dawahare, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Guenthner, Hancock, Harper, Holbrook, Holloway, R. Jones, Layman, Lefevers, Lile, List, Long, Lundergan, McElroy, McNutt, Moore, Nett, Overstreet, Patrick, Pearman, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, B. Smith, Thomas, Thomason, Todd, Turner, White, Worthington.

Floor Amendment No. 3 to 992 was rejected.

Representative Bennett moved that **HB 992,** as amended, be passed.

On the roll call the vote was yeas 94-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Seum, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 4-Hancock, Patrick, Robinson, F. Smith.

HB 992, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 992,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 635, with Committee Substitute and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Meyer moved the adoption of the Committee Substitute to **HB 635.** Agreed.

Representative Meyer moved that **HB 635**, by way of Committee Substitute, be passed. Representative Burch moved the adoption of the Floor Amendment No. 1 to **HB 635**.

Representative Meyer inquired if Floor Amendment No. 1 to **HB 635** were in order since it applied to the original bill and not the Committee Substitute.

The Speaker ruled Floor Amendment No. 1 to **HB 635** was in order.

Representative Meyer inquired if material contained in Floor Amendment No. 1 was germane to **HB 635**.

The Speaker ruled Floor Amendment No. 1 to **HB 635** was not germane to the bill.

Representative Meyer moved that **HB 635**, by way of Committee Substitute, be passed.

On the roll call the vote was yeas 57-Arnold, Barrows, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, L. Clark, P. Clarke, Cowan, Crupper, Cyrus, Deskins, Donnermeyer, Dunn, Gedling, Gray, Hancock, Handy, Heleringer, Hines, Johnson, T. Jones, Kenton, LeMaster, Lile, List, Little, Lundergan, Maggard, Mann, McBee, Meyer, Moberly, Noe, O'Brien, Overstreet, Perkins, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Williams, Yates. Nays 38-Allen, Burnette, Caldwell, Clapp, Cline, Craddock, Curd, Dawahare, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Guenthner, Harper, Head, Holbrook, Holloway, R. Jones, Layman, Lefevers, Long, McElroy, McNutt, Moore, Noland, Patrick, Pearman, Rattliff, Reinhardt, Riner, Robinson, Todd, Turner, White, Worthington.

HB 635, by way of Committee Substitute, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 635**, by way of Committee Substitute, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 772, with Committee Amendments and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cowan moved the adoption of the Committee Amendment No. 1 to **HB 772**. Agreed.

Representative Cowan moved the adoption of the Committee Amendment No.2 to **HB 772**. Agreed.

Representative Cowan moved the adoption of the Floor Amendment No. 5 to **HB 772**. Agreed.

Representative Cowan moved that **HB 772**, as amended, be passed.

Representative Burnette moved the adoption of the Floor Amendment No. 1 to **HB 772**.

On the roll call the vote was yeas 26-Blandford, Brinkley, Bronger, Bruce, Burnette, Clapp, P. Clark, Craddock, Dawahare, Ellington, Hancock, Head, Heleringer, Holloway, Layman, Lundergan, Maggard, McNutt, Overstreet, B. Richardson, P. Richardson, Seum, Van Horn, White, Worthington, Yates. Nays 50-Allen, Barrows, Bendl, Burch, Caldwell, L. Clark, Clarke, Cline, Cowan, Curd, Deskins, Dunn, Farrow, Ford, Foster, Freibert, Guenthner, Harper, Holbrook, R. Jones, T. Jones, Kenton, Lefevers, LeMaster, Lile, List, Little, Long, McBee, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, Patrick, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, Riner, Stone, Stumbo, Thomas, Thomason, Todd, Williams.

Floor Amendment No. 1 to **HB 772** was rejected.

On the roll call the vote was yeas 65-Allen, Arnold, Bendl, Bennett, Blandford, Bronger, Brown, Burch, Caldwell, Clapp, L. Clark, Clarke, Cline, Cowan, Curd, Deskins, Donnermeyer, Dunn, Farrow, Ford, Foster, Freibert, Gedling, Guenthner, Handy, Harper, Heleringer, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, List, Long, Maggard, Mann, Meyer, Moberly, Moore, Nett, Noe, O'Brien, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, Riner, B. Smith, F. Smith, Stumbo, Thomas, Thomason, Todd, Williams, Worthington. Nays 27-Brinkley, Bruce, Burnette, P. Clark, Craddock, Crupper, Cyrus, Dawahare, Ellington, Endicott, Fryman, Gray, Hancock, Head, Holloway, Little, Lundergan, McElroy, McNutt, Morris, Noland, Overstreet, Robinson, Stone, Turner, Van Horn, White.

HB 772, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 772,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 885, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Deskins moved the adoption of the Floor Amendment No. 1 to **HB 885.** Agreed.

Representative Deskins moved that **HB 885,** as amended, be passed.

On the roll call the vote was yeas 89-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Brinkley, Bronger, Brown, Burch, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Johnson, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington. Nays 0.

HB 885, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 885,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 939, as amended by Committee Amendment No. 1 taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed by a majority of members elected.

Representative Little moved the adoption of the Floor Amendment No. 1 to **HB 939.** Agreed.

Representative Little moved that **HB 939,** as amended, be passed.

On the roll call the vote was yeas 55-Arnold, Bendl, Blandford, Brinkley, Bronger, Brown, Bruce, Burch, L. Clark, P. Clark, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Gray, Hancock, Handy, Harper, Head, Hines, Johnson, T. Jones, Kenton, Kidd, Lefevers, Lile, List, Little, Maggard, McBee, Moberly, Morris, O'Brien, Perkins, Petty, Priddy, Rapier, B. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomason, Van Horn, White, Williams, Worthington. Nays 19-Allen, Caldwell, Cline, Ford, Freibert, Fryman, Gedling, Guenthner, Heleringer, Holbrook, Layman, McElroy, McNutt, Noland, Overstreet, Pearman, Robinson, Todd, Turner.

HB 939, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 939,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Senate Message

Announcing passage of **SB 143, SB 384, HB 514,** and **HB 558.**

Orders of the Day (continued)

HB 8, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative T. Jones moved the adoption of the Committee Amendment No. 1 to **HB 8**. Agreed.

Representative T. Jones moved that **HB 8**, as amended, be passed

On the roll call the vote was yeas 87-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Morris, Nett, Noland, O'Brien, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 8, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 8**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 682, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cowan moved that **HB 682** be passed.

Representative Farrow moved the adoption of the Floor Amendment No. 1 to **HB 682**. Agreed.

Representative Cowan moved that **HB 682**, as amended, be passed.

On the roll call the vote was yeas 85-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Harper, Head, Heleringer, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Morris, Nett, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Worthington, Yates. Nays 2-Barrows, Moberly.

HB 682, as amended, was passed.

Representative Farrow moved the adoption of the Floor Title Amendment to **HB 682**, as amended. Agreed.

Representative LeMaster moved that the vote by which **HB 682**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 327 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clapp moved that **SB 327** be passed.

On the roll call the vote was yeas 96-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

SB 327 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 327** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 696 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Thomason moved that **HB 696** be passed.

On the roll call the vote was yeas 64-Allen, Arnold, Bennett, Blandford, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Ford, Foster, Freibert, Gedling, Gray, Guenthner, Harper, Head, Holbrook, Johnson, R. Jones, T. Jones, Layman, Lefevers, Long, Maggard, McBee, McElroy, McNutt, Moberly, Moore, Morris, Noe, Noland, Overstreet, Patrick, Pearman, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, B. Smith, Stone, Thomas, Thomason, Todd, Turner, Van Horn, White. Nays 30-Bendl, Blevins, L. Clark, P. Clark, Clarke, Cline, Farrow, Fryman, Hancock, Handy, Heleringer, Hines, Kidd, LeMaster, Lile, Little, Lundergan, Mann, Meyer, Nett, O'Brien, Perkins, Petty, Priddy, Riner, Seum, F. Smith, Stumbo, Williams, Yates.

HB 696 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 696** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 843 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Hancock moved that **HB 843** be passed.

On the roll call the vote was yeas 93-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Fryman, Gedling, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 4-Clarke, Freibert, Gray, McNutt.

HB 843 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 843** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 914 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Kidd moved that **HB 914** be passed.

On the roll call the vote was yeas 83-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Ford, Foster, Freibert, Gedling, Gray, Guenthner, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, Meyer, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, Williams, Worthington, Yates. Nays 8-Caldwell, Dawahare, Fryman, Lefevers, McElroy, McNutt, Noland, White.

HB 914 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 914** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 1001, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Allen moved the adoption of the Floor Amendment No. 1 to **HB 1001**. Agreed.

Representative Allen moved that **HB 1001,** as amended, be passed.

On the roll call the vote was yeas 87-Allen, Arnold, Bennett, Blandford, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Harper, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moore, Morris, Nett, Noland, O'Brien, Patrick, Pearman, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 5-Barrows, Cowan, Holloway, Moberly, Perkins.

HB 1001, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 1001,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HCR 121 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Priddy moved that **HCR 121** be passed.

On the roll call the vote was yeas 81-Bendl, Bennett, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cowan, Craddock, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Harper, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, B. Richardson, P. Richardson, Riner, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, Yates. Nays 1-Foster.

HCR 121 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HCR 121** was passed be reconsidered and said motion be placed on the table. Agreed.

Speaker Pro Tempore Blandford presiding.

HB 736, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Moberly moved that **HB 736** be passed.

On the roll call the vote was yeas 69-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Head, Heleringer, Hines, Johnson, R. JOnes, T. Jones, Kenton, Kidd, LeMaster, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Morris, Noe, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, P. Richardson, Riner, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Worthington, Yates. Nays 22-Allen, Caldwell, Clapp, Crupper, Curd, Ellington, Endicott, Farrow, Ford, Harper, Holloway, Layman, Lefevers, Lile, Noland, Overstreet, Patrick, Rattliff, Robinson, B. Smith, Todd, Turner.

HB 736 was passed and the title agreed to.

Representative Moberly moved that the vote by which **HB 736** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 883, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Reinhardt moved the adoption of the Floor Amendment No. 1 to **HB 883**. Agreed.

Representative Guenthner moved that **HB 883**, as amended, be passed.

On the roll call the vote was yeas 88-Arnold, Barrows, Bendl, Blevins, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Morris, Noe, Noland, O'Brien, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 1-Overstreet.

HB 883, as amended, was passed.

Representative Guenthner moved the adoption of the Floor Title Amendment to **HB 883**, as amended. Agreed.

Representative LeMaster moved that the vote by which **HB 883**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 659, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative McBee moved the adoption of the Committee Substitute to **HB 659**. Agreed.

Representative McBee moved that **HB 659**, by way of Committee Substitute, be passed.

On the roll call the vote was yeas 93-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Morris, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 1-Cline.

HB 659, by way of Committee Substitute, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 659**, by way of Committee Substitute, was passed be reconsidered and said motion be placed on the table. Agreed.

HCR 86, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Donnermeyer moved the adoption of the Floor Amendment No. 1 to **HCR 86**. Agreed.

Representative Donnermeyer moved that **HCR 86**, as amended, be passed.

On the roll call the vote was yeas 87-Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cline, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Morris, Noe, Noland, O'Brien, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HCR 86, as amended, was passed and the title agreed to.

Representative Donnermeyer moved that the vote by which **HCR 86**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 155, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Bendl moved the adoption of the Committee Substitute to **HB 155**. Agreed.

Representative Bendl moved that **HB 155**, by way of Committee Substitute, be passed.

On the roll call the vote was yeas 54-Barrows, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, L. Clark, P. Clark, Cline, Cowan, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Gedling, Gray, Hancock, Handy, Hines, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, Meyer, Moberly, Moore, Nett, Noe, O'Brien, Perkins, Priddy, Rapier, Reinhardt, Richards, B. Richardson, Riner, B. Smith, F. Smith, Stumbo, Thomason, Van Horn, White, Williams. Nays 42-Allen, Brinkley, Burnette, Caldwell, Clapp, Clarke, Craddock, Crupper, Curd, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Guenthner, Harper, Head, Heleringer, Holbrook, Holloway, Johnson, Layman, McBee, McElroy, McNutt, Morris, Noland, Overstreet, Patrick, Pearman, Petty, Rattliff, Robinson, Seum, Stone, Thomas, Todd, Turner, Worthington, Yates.

HB 155, by way of Committee Substitute, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 155**, by way of Committee Substitute, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 801, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Arnold moved the adoption of the Committee Amendment No. 1 to **HB 801**. Agreed.

Representative Arnold moved that **HB 801**, as amended, be passed.

On the roll call the vote was yeas 77-Allen, Arnold, Bennett, Blevins, Bronger, Brown, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cline, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Johnson, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Little, Long, Lundergan, Maggard, Mann, McElroy, McNutt, Moberly, Moore, Morris, Nett, Noe, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 7-Barrows, Cowan, Freibert, R. Jones, Lile, Meyer, Robinson.

HB 801, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 801**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 846, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Ford moved the adoption of the Floor Amendment No. 1 to **HB 846**. Agreed.

Representative Ford moved the adoption of the Committee Amendment No. 1 to **HB 846**. Agreed.

Representative Ford moved that **HB 846**, as amended, be passed.

On the roll call the vote was yeas 82-Arnold, Bendl, Blevins, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Harper, Head, Heleringer, Hines, Holbrook, Johnson, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McElroy, McNutt, Moore, Morris, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 1-Moberly.

HB 846, as amended, was passed and the title agreed to.

Representative Ford moved that the vote by which **HB 846**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 887 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Arnold moved that **HB 887** be passed.

On the roll call the vote was yeas 93-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 1-Endicott.

HB 887 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 887** was passed be reconsidered and said motion be placed on the table. Agreed.

HJR 72 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Mann moved that **HJR 72** be passed.

On the roll call the vote was yeas 83-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Bruce, Burch, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Freibert, Gedling, Gray, Guenthner, Handy, Harper, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Yates. Nays 6-Foster, Fryman, Hancock, T. Jones, Pearman, Worthington.

HJR 72 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HJR 72** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 230, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Richards moved the adoption of the Committee Amendment No. 1 to **SB 230.** Agreed.

Representative Richards moved that **SB 230,** as amended, be passed.

Representative Gray moved the adoption of the Floor Amendment No. 1 to **SB 230.**

Representative Richards inquired if Floor Amendment No. 1 to **SB 230** was germane to the bill.

The Chair ruled Floor Amendment No. 1 to **SB 230** was germane to the bill.

On the roll call the vote was yeas 13-Bennett, Bruce, P. Clark, Cyrus, Deskins, Gray, Little, Morris, Pearman, Priddy, Seum, Van Horn, Yates. Nays 81-Allen, Arnold, Barrows, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Caldwell, L. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Dawahare, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Perkins, Petty, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, White, Williams, Worthington.

Floor Amendment No. 1 to **SB 230** was rejected.

Representative Richards moved that **SB 230,** as amended, be passed.

On the roll call the vote was yeas 94-Allen, Arnold, Barrows, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 2-Deskins, Little.

SB 230, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 230,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 93, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment to **HB 93** is as follows:

Amend printed copy of **HB 93** as follows:

On page 5, after line 9, add the following:

SECTION 3. A NEW SECTION OF KRS CHAPTER 143A IS CREATED TO READ AS FOLLOWS:

(1) A credit is hereby allowed against the tax imposed by this chapter on the gross value of limestone which is severed or processed within this state and sold to a purchaser outside of this state.

(2) The credit allowed in subsection (1) of this section shall be equal to the tax imposed by this chapter on the gross value of a similar quantity of severed or processed limestone valued as of the day the sale is made to a purchaser outside of this state.

(3) The credit allowed in this section shall extend only to a taxpayer who severs or processes limestone through the rip-rap construction aggregate or agricultural limestone stages, and who sells in interstate commerce not less than sixty percent (60%) of such stone. The credit shall not be allowed to a taxpayer who processes the limstone beyond the agricultural limestone stage.

Representative Ellington moved that the House concur in the Senate Amendment to **HB 93**.

The Speaker resumed the Chair.

Representative Moore moved that **HB 93** be recommitted to the Committee on Natural Resources and Environment for consideration of concurrence in the Senate Amendment. Rejected.

Representative Ellington moved that the House concur in the Senate Amendment to **HB 93**. Rejected.

Motions, Petitions and Communications

Representative LeMaster moved that **HB 747** be recommitted to the Committee on State Government. Agreed.

Representative LeMaster moved that the posting requirements be waived on **HJR 70**. Agreed.

Representative LeMaster moved that the rules be suspended for Introduction of Resolutions and Report of Committees. Agreed.

Introduction of Resolutions

HR 133, by Representative P. Richardson: A RESOLUTION petitioning the President of the United States and the United States Congress to support a constitutional amendment to permit prayer in the public schools.

HR 134, by Representatives Riner, B. Smith, Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, Seum, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, and Yates: A RESOLUTION concerning human rights violations by the Socialist Republic of Romania and declaring a boycott of Romanian products.

HR 135, by Representative Hancock: A RESOLUTION adjourning the House of Representatives in honor of Mr. Courtenay J. Walker.

HR 136, by Representative F. Smith: A RESOLUTION requesting a feasibility study regarding the possible transfer of the Division of Water Patrol.

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bills and Resolutions have been posted for Committee consideration:

Appropriations and Revenue: **SB 93.**

State Government: **SB 137, SB 357, HR 127, SB 45.**

Cities: **SB 380.**

Transportation: **HCR 123, HCR 124.**

Judiciary-Civil: **SB 316.**

Natural Resources and Environment: **SB 401.**

Counties and Special Districts: **SB 361, SB 366, SB 411.**

The Clerk announced **HB 756** and **HB 641** have been withdrawn from consideration by the Committee on Cities.

Report of Committees

The Committee on Health and Welfare reported **HB 859, HB 947,** and **HCR 82** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 859, AN ACT relating to hospital care for the medically indigent.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 216B.015 is amended to read as follows:

Except as otherwise provided, for purposes of this chapter, the following definitions shall apply:

(1) "Administrative regulation" means a regulation adopted and promulgated pursuant to the procedures in KRS Chapter 13.

(2) "Affected persons" means the applicant; any person residing within the geographic area served or to be served by the applicant; any person who regularly uses health facilities within that geographic area; health facilities located in the health service area in which the project is proposed to be located which provide services similar to the services of the facility under review; health facilities which, prior to receipt by the agency of the proposal being reviewed, have formally indicated an intention to provide similar services in the future; the cabinet and third party payors who reimburse health facilities for services in the health service area in which the project is proposed to be located.

(3) "Applicant" means any person, health facility, or health service requesting a certificate of need or license.

(4) "Board" means the Kentucky health facilities and health services certificate of need and licensure board.

(5) "Capital expenditure" means an expenditure made by or on behalf of a health facility which:

(a) Under generally accepted accounting principles is not properly chargeable as an expense of operation and maintenance; or

(b) Is made to obtain by lease or comparable arrangement any facility or part thereof or any equipment for a facility or part thereof.

(6) "Capital expenditure minimum" means six hundred thousand dollars ($600,000) for the twelve (12) month period beginning July 15, 1980 and as adjusted annually thereafter. In determining whether an expenditure exceeds the expenditure minimum, the cost of any studies, surveys, designs, plans, working drawings, specifications, and other activities essential to the improvement, expansion, or replacement of any plant or any equipment with respect to which the expenditure is made shall be included. Donations of equipment or facilities to a health facility which if acquired directly by such facility would be subject to review under this chapter shall be considered a capital expenditure, and a transfer of the equipment or facilities for less than fair market value shall be considered a capital expenditure if a transfer of the equipment or facilities at fair market value would be subject to review.

(7) "Certificate of need" means an authorization by the board to proceed to acquire, to establish, to offer, to substantially change the bed capacity or to substantially change a health service as covered by this

chapter.

(8) "Cabinet" means the cabinet for human resources which functions as the state health planning and development agency.

(9) "Fair share" means the percentage of gross patient revenues that a hospital is legally obligated to expend to provide medically necessary hospital care for medically indigent persons.

(10) "Federal act" means the National Health Planning Resources Development Act of 1974, P.L. 93-641, and subsequent amendments.

(11)[~~(10)~~] "Formal review process" means the ninety (90) day certificate of need review conducted by the board.

(12) "Gross patient revenues" means the sum of all patient services provided by a hospital multiplied by the respective charge for each service.

(13)[~~(11)~~] "Health facility" means any institution, place, building, agency or portion thereof, public or private, whether organized for profit or not, used, operated or designed to provide medical diagnosis, treatment, nursing, rehabilitative or preventive care and includes alcohol abuse, drug abuse, and mental health services. This shall include, but shall not be limited to health facilities and health services commonly referred to as hospitals, psychiatric hospitals, tuberculosis hospitals, skilled nursing facilities, nursing homes, personal care homes, intermediate care facilities, family care homes, primary care centers, rural health clinics, outpatient clinics, ambulatory care facilities, ambulatory surgical centers, emergency care centers and services, ambulance services, non-emergency health transportation services, hospices, community mental health and mental retardation centers, home health agencies, kidney disease treatment centers and free standing hemodialysis units, health maintenance organizations, and others providing similarly organized services regardless of nomenclature.

(14)[~~(12)~~] "Health maintenance organization" means a public or private organization, organized under KRS 304.38-010 to 304.38-200, which:

(a) Is a qualified health maintenance organization under the federal act; or

(b) 1. Provides or otherwise makes available to enrolled participants health services, including at least the following basic health services: usual physician services, hospitalization, laboratory, x-ray, emergency and preventive services, and out of area coverage;

2. Is compensated (except for co-payments) for the provision of the basic health services listed in subparagraph 1. of this paragraph to enrolled participants by a payment which is paid on a periodic basis without regard to the date the health services are provided and which is fixed without regard to the frequency, extent, or kind of health service actually provided; and

3. Provides physicians' services primarily;

a. Directly through physicians who are either employes or partners of such organization; or

b. Through arrangements with individual physicians or one (1) or more groups of physicians (organized on a group practice or individual practice basis).

(15)[~~(13)~~] "Health service area" means a particular geographical area designated by the governor as a health service planning area.

(16)[~~(14)~~] "Health services" means clinically related services provided within the Commonwealth to two (2) or more persons, including but not limited to diagnostic, treatment, or rehabilitative services, and includes alcohol, drug abuse, and mental health services.

(17) "Hospital" means a facility subject to licensure as such under the provisions of this chapter.

(18)[~~(15)~~] "Local health planning agency" means a health planning agency organized for a particular geographical area of the Commonwealth and designated by the governor.

(19)[~~(16)~~] "Major medical equipment" means equipment which is used for the provision of medical and other health services and which costs in excess of the medical equipment expenditure minimum except that such term does not include medical equipment acquired by or on behalf of a medical laboratory. For purposes of this paragraph, "medical equipment expenditure minimum" means four hundred thousand dollars ($400,000) for the twelve (12) month period beginning July 15, 1982 and as adjusted annually thereafter. In determining whether medical equipment has a value in excess of the medical equipment expenditure minimum, the value of studies, surveys, designs, plans, working drawings, specifications, and other activities essential to the acquisition of such equipment shall be included.

(20) Medically indigent means:

(a) A person who would qualify as a public assistance or medical assistance recipient except for income and resources but whose income and resources are insufficient to provide for the costs of medical care; or

(b) A person who would not qualify as a public assistance or medical assistance recipient for reasons other than income and resources but whose income and resources are insufficient to provide for the cost of health care.

(21)[~~(17)~~] "Nonsubstantive review" means an expedited review conducted by the cabinet of an application for a certificate of need as authorized under KRS 216B.095.

(22)[~~(18)~~] "Operating cost expenditure minimum" means two hundred fifty thousand dollars

($250,000) for the twelve (12) month period beginning July 15, 1982 and as adjusted annually thereafter.

(23)[~~(19)~~] "Party to the proceedings" means the applicant for a certificate of need and any affected person who appears at a hearing on the matter under consideration and enters an appearance of record.

(24)[~~(20)~~] "Person" means an individual, a trust or estate, a partnership, a corporation, an association, a group, state or political subdivision or instrumentality (including a municipal corporation) of a state.

(25)[~~(21)~~] "Record" means, as applicable in a particular proceeding:

(a) The application and any information provided by the applicant at the request of a local health planning agency, the cabinet or the board;

(b) Any information provided by a holder of a certificate of need or license in response to a notice of revocation of a certificate of need or license;

(c) Any memoranda or documents prepared by or for a local health planning agency, the cabinet or the board regarding the matter under review which were introduced at any hearing;

(d) Any staff reports or recommendations prepared by or for a local health planning agency, the cabinet or the board;

(e) Any recommendation or decision of the cabinet;

(f) Any testimony or documentary evidence adduced at a hearing;

(g) The findings of fact and recommendation of the hearing officer; and

(h) Any other items required by administrative regulations promulgated by the board.

(26)[~~(22)~~] "Secretary" means the secretary of the cabinet for human resources.

(27)[~~(23)~~] "State health plan" means the document duly adopted by the state health planning council and approved by the governor.

(28)[~~(24)~~] "State health planning council" means the statewide health coordinating council or a state health planning agency established and designated by the governor.

(29)[~~(25)~~] "Substantial change in a health service" means the addition of a clinically related service not previously provided in the health facility which entails an annual operating cost which exceeds the operating cost expenditure minimum, or the addition of a health service for which there is a component of the state health plan, or the addition of a health service subject to licensure under this chapter, or the reduction or termination of a health service which had previously been provided in the health facility.

(30)[~~(26)~~] "Substantial change in bed capacity" means the addition, reduction, relocation or redistribution of beds by licensure classification within a health facility.

(31)[~~(27)~~] "To acquire" means to obtain from another by purchase, lease or other comparable arrangement of the controlling interest of a capital asset or capital stock, or voting rights of a corporation. An acquisition is deemed to occur when more than fifty percent (50%) of an existing capital asset or capital stock or voting rights of a corporation is purchased, leased or acquired by comparable arrangement by one person from another person.

(32)[~~(28)~~] To "batch" means to review in the same review cycle and, if applicable, give comparative consideration to all filed applications pertaining to similar types of services, facilities or equipment affecting the same health service area.

(33)[~~(29)~~] "To establish" means to construct, develop, or initiate a health facility.

(34)[~~(30)~~] "To obligate" means to enter any enforceable contract for the construction, acquisition, lease, or financing of a capital asset. A contract shall be considered enforceable when all contingencies and conditions in such contract have been met. An option to purchase or lease which is not binding, shall not be considered an enforceable contract.

(35)[~~(31)~~] "To offer" means, when used in connection with health services, to hold a health facility or health maintenance organization out as capable of providing, or as having the means of providing , specified health services.

SECTION 2. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

Any hospital, except for federal facilities, shall have a legal obligation to provide medically necessary hospital care to its fair share of medically indigent patients as provided in this Act.

SECTION 3. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

(1) A hospital's fair share shall be assessed by the secretary and shall be the statewide arithmetic mean percentage of gross patient revenues used by hospitals to provide medically necessary hospital care to the medically indigent.

(2) The secretary may adjust any hospital's fair share obligation after taking the following factors into consideration:

(a) The hospital's contractual adjustments from gross patient revenues due to medicare and medicaid reimbursement methodologies; and

(b) The hospital's inability to meet the minimum financial requirements necessary to continue to provide services.

(3) Indigent hospital care supplied by a hospital pursuant to a Hill-Burton obligtion shall not be considered as unreimbursed indigent hospital care for the purpose of meeting a hospital's fair share obligation. A hospital's fair share obligation shall be in addition to any contractual obligation to supply indigent hospital care.

SECTION 4. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

Any hospital that does not fulfill its legal obligation to provide its fair share of medically necessary indigent hospital care as specified by the secretary pursuant to Section 3 of this Act shall be assessed and pay a fine equal to one and one-half (1 1/2) times the difference between such hospital's fair share as assessed by the secretary pursuant to Section 3 of this Act and the amount of medically necessary hospital care for indigents such hospital does provide. Such fines shall be deposited in a special account in the revolving trust and agency account of the cabinet provided in Section 5 of this Act.

SECTION 5. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

There is hereby created a special account in the revolving trust and agency fund of the cabinet. This account shall be administered and disbursed in the same manner and under the same conditions and requirements as is provided by law for other special funds in the state treasury. The monies deposited in the account shall be used by the secretary to subsidize medically necessary indigent hospital care provided by hospitals providing more than their fair share of medically necessary indigent hospital care. In disbursing monies from the account, the secretary shall take into account the special needs of any hospital for subsidy of medically necessary indigent hospital care provided in excess of such hospital's fair share so that such a hospital may remain in a reasonable financial position in order to continue to provide medically necessary indigent hospital care. Any balance in this fund shall not lapse at any time, but shall be continuously available to the cabinet for the purposes set out in this section.

SECTION 6. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

(1) The secretary shall promulgate, by administrative regulation, medically indigent eligibility standards and criteria in order to establish an applicant's eligibility for hospital care provided by hospitals pursuant to this Act.

(2) The cabinet shall establish and administer a program to determine whether or not an applicant meets the standards and criteria of medical indigency pursuant to administrative regulations promulgated by the secretary.

SECTION 7. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

(1) The secretary shall contract with a professional review organization, as defined by federal law, to determine, in the same manner as used by the Kentucky medical assistance program, that the hospital admission or the continuation of a hospital admission of any medically indigent person under this Act is medically necessary.

(2) Any hospital admission or the continuation of any hospital admission, provided to a medically indigent person pursuant to this Act, that is determined to be medically unnecessary by the professional review organization shall not be included in meeting a hospital's fair share obligation required under this Act.

SECTION 8. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

The secretary shall, by administrative regulation, require any hospital subject to the provisions of this Act to furnish reports or information, or both, necessary to carry out the provisions of this Act.

SECTION 9. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

The secretary shall provide an appeal mechanism as provided in KRS 211.260 for any person who is aggrieved by any ruling, decision or action of the cabinet, pursuant to the provisions of this Act, on other than matters of internal administration.

SECTION 10. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

Nothing in this Act shall remove a hospital's obligation to provide emergency care regardless of a person's ability to pay, as provided in KRS 216B.400.

HB 947, AN ACT relating to health facilities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS

FOLLOWS:

(1) By December 31, 1984, and each year thereafter, all licensed hospitals shall submit data and information required in subsection (2) of this section to the cabinet for human resources.

(2) The cabinet for human resources shall promulgate administrative regulations after a public hearing providing for a uniform system of hospital cost, charge, rate, service and utilization data to include the following data items:

(a) The average private and semi-private room rate, and average rates and charges for intensive care and coronary care units, average laboratory charges by type of procedure, average x-ray charges by type of procedure, average anesthesia charges, average emergency room rates, average nursery rates, and average delivery room rates;

(b) The average charge per admission and the average charge per admission for each major payor category including medicaid, medicare, profit and nonprofit health insurers, and private paying patients;

(c) The average charge per admission adjusted by a case mix acuity index reflecting the severity of illnesses treated by the hospital, using a method established by the cabinet;

(d) The average charge for the top twenty-five (25) diagnoses as designated by the cabinet;

(e) The average length of stay per admission;

(f) The average length of stay for the top twenty-five (25) diagnoses as designated by the cabinet;

(g) The number of patient discharges by patient diagnoses;

(h) The number of employes per occupied bed;

(i) Gross income and net income before taxes;

(j) A list of services rendered and services available in the hospital; and

(k) Other cost, charge, rate, service and utilization data required by the cabinet for human resources.

SECTION 2. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

(1) The cabinet for human resources shall publish an annual report containing all the data and information submitted, listing each hospital separately. Copies shall be disseminated to at least the following organizations and agencies:

(a) Consumer organizations with a demonstrated interest in health care issues;

(b) Health care provider organizations, including organizations representing hospitals, nursing homes, physicians, primary care centers and nurses;

(c) The Kentucky health facilities and health services certificate of need and licensure board or any successor organization;

(d) The state health planning council or any successor organization;

(e) Newspapers with a circulation in excess of twenty-five thousand (25,000) subscribers;

(f) Agencies of state government upon their request;

(g) Health care cost containment organizations representing employers and labor organizations;

(h) Health insurers with more than ten thousand (10,000) policyholders residing in Kentucky; and

(i) The legislative research commission.

(2) An annual report for consumers containing summary data and information comparing each hospital in a simple and concise format shall be published by the cabinet and distributed for a fee not to exceed the cost of printing the report. The availability of the report shall be widely advertised by the cabinet in newspapers and in state-supported health facilities.

(3) Hospitals shall post in a conspicuous location, accessible to residents, employes and visitors, data on the average charge for the top twenty-five (25) diagnoses referred to in subsection (2)(d) of Section 1 of this Act and average rates and charges referred to in subsection (2)(a) of Section 1 of this Act.

SECTION 3. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

(1) If a licensed hospital fails to submit the required data or information, or submits inaccurate, false or incomplete information, the cabinet shall assess a civil penalty in the amount of one hundred dollars ($100) per day for each day beyond the December 31 deadline for which the hospital fails to submit the accurate, complete data or information.

(2) Payment of penalties shall not be a reimburseable cost under public or private third party insurance.

HCR 82, A RESOLUTION requesting the secretary of the cabinet for human resources not to prohibit reimbursement under the Kentucky Medical Assistance Program for prescription drugs prescribed by a licensed physician with certain exceptions.

WHEREAS, an open medicaid drug formulary represents sound health care policy that will improve the quality of health care services delivered to Kentucky's low income citizens, and will promote the appropriate use of cost-effective pharmaceutical services, thereby reducing the need for more expensive health services;

WHEREAS, a comprehensive program allows physicians to treat the individual needs of their patients in accordance with their best professional judgment; and

WHEREAS, the patient therefore receives timely drug therapy designed to remedy his or her unique medical problems;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. The secretary of the cabinet for human resources is requested not to prohibit the reimbursement for prescription drugs prescribed by a licensed physician, except to restrict reimbursement for drugs under the Federal Maximum Allowable Cost Program or any successor programs, and to restrict reimbursement for a drug classified as a Schedule II controlled substance by the United States Drug Enforcement Administration upon a finding, based on a record established by a public hearing, that such drug is the subject of serious abuse by a substantial number of recipients of medical assistance.

The Committee on Appropriations and Revenue reported **HB 932,** with Committee Substitute and Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 932, AN ACT relating to revenue and taxation and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 134.810 is amended to read as follows:

(1) All state, county, school and special taxing district ad valorem taxes shall be due and payable on or before the last day of the month in which registration is required by law for all motor vehicles renewed or transferred.

(2) All state, county, school and special taxing district ad valorem taxes due on motor vehicles shall become delinquent following the end of the month in which registration is required by law.

(3) Any taxes which are paid within thirty (30) days of becoming delinquent shall be subject to a penalty of three percent (3%) on the taxes due. Any taxes which are not paid within thirty (30) days of becoming delinquent shall be subject to a penalty of ten percent (10%) on the taxes due. In addition, interest at an annual rate of fifteen percent (15%) shall accrue on said taxes and penalty from the date of delinquency. The county clerk *may* [~~shall~~] file a lien on any motor vehicle for which taxes have become delinquent on behalf of the state, county, school, and special taxing districts and record such lien on the face of the certificate of title and registration, and also record the lien in the manner in which lis pendens are recorded.

(4) When a motor vehicle has been transferred before registration renewal or before taxes due have been paid, the purchaser shall become liable for the taxes on said motor vehicle.

(5) In the event that an owner obtains a certificate of registration for a motor vehicle valid through the last day of his second birth month following the month and year in which he applied for a certificate of registration, all state, county, school, and special tax district ad valorem tax liabilities arising from the assessment date following initial registration are due and payable on or before the last day of the first birth month following said assessment date or date of transfer, whichever is earlier. Any taxes due under the provisions of this subsection and not paid as set forth above shall be considered delinquent and subject to the same interest and penalties found in subsection (3) of this section.

Section 2. KRS 138.460 is amended to read as follows:

(1) On and after July 1, 1972 a tax levied upon its retail price at the rate of five percent shall be paid on the use in this state of every motor vehicle, except those exempted by KRS 138.470, at the time and in the manner provided in this section. In the case of trucks of gross weight in excess of ten thousand pounds (10,000 lbs.) the tax shall be levied upon ninety percent of the retail price of the vehicle.

(2) The tax shall be collected by the county clerk or other officer with whom the vehicle is required to be registered:

(a) When he collects the registration fee for registering and licensing a motor vehicle the first time it is offered for registration in this state,

(b) Or upon the transfer of ownership of any motor vehicle previously registered in this state.

(3) The tax collected by the county clerk under this section shall be reported and remitted to the department of revenue on forms provided by the department and on such forms as the department may prescribe. The county clerk shall for his services in collecting the tax be entitled to retain an amount equal to

three percent (3%) of the tax collected and accounted for.

(4) No county clerk or other officer shall register or issue any license tags to the owner of any motor vehicle subject to this tax, when the vehicle is then being offered for registration for the first time, or transfer the ownership of any motor vehicle previously registered in this state, unless the owner or his agent pays the tax levied under this section in addition to the transfer, registration and license fees.

(5) When a resident of this state offers a motor vehicle for registration for the first time in this state [~~which was registered in another state that levied a tax substantially identical to the tax levied under this section~~], such person shall be entitled to receive a credit against the tax imposed by this section equal to the amount of *a substantially identical* tax *previously* paid to *another* [~~the other~~] state. [~~No credit shall be given under this subsection for taxes paid in another state if that state does not grant similar credit for substantially identical taxes paid in this state.~~]

(6) No county clerk or other officer shall register or issue any license tags to the owner of any motor vehicle subject to this tax, when the vehicle is then being offered for registration for the first time, unless the seller or his agent delivers to the county clerk or other officer a certified or photostat copy of the manufacturer's price label for passenger cars or a certified or photostat copy of the itemized billing to the customer in the case of all other motor vehicles; and the clerk shall attach the certified or photostat copy to the copy of the certificate of registration and ownership mailed to the department.

(7) Notwithstanding the provisions of KRS 138.450(4), in no case shall the tax be less than five dollars ($5.00) upon first registration of or any transfer of ownership of a motor vehicle in this state, except where such vehicle is exempt from tax under KRS 138.470.

(8) Where a [~~new~~] motor vehicle is sold [~~by a dealer~~] in this state and the [~~original~~] purchaser returns the vehicle for any reason to the *seller* [~~same dealer~~] within sixty (60) days for a [~~new~~] vehicle replacement or a refund of the purchase price, the purchaser shall be entitled to a refund of the amount of usage tax received by the department of revenue as a result of the registration of the returned vehicle. The registration of the returned vehicle shall be cancelled. *If the returned vehicle was either a new vehicle or a used vehicle not previously registered in Kentucky, such* [~~and the~~] vehicle shall be considered to have not been previously registered in Kentucky when resold by the *seller* [~~dealer~~].

(9) When a manufacturer refunds the retail purchase price or replaces a new motor vehicle for the original purchaser within ninety (90) days because of malfunction or defect, the purchaser shall be entitled to a refund of the amount of motor vehicle usage tax received by the department of revenue as a result of the first registration. No person shall be entitled to a refund unless he shall have filed with the department of revenue an affidavit from the manufacturer identifying the vehicle that was replaced and stating the date of replacement.

Section 3. KRS 141.010 is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Commissioner" means the commissioner of revenue;

(2) "Department" means the department of revenue;

(3) For tax years beginning on or after January 1, *1984* [~~1982~~], except as otherwise provided in this section, "Internal Revenue Code" means the Internal Revenue Code in effect on December 31, *1983* [~~1981~~], including the provisions of the *Subchapter S Revision Act of 1982* [~~Economic Recovery Tax Act of 1981~~] effective on the dates specified in that law, but excluding the provisions of Section 168(f)(8) of the Internal Revenue Code, exclusive of any amendments made subsequent to that date;

(4) "Dependent" means those persons defined as dependents in the Internal Revenue Code;

(5) "Fiduciary" means "fiduciary" as defined in Section 7701(a)(6) of the Internal Revenue Code;

(6) "Fiscal year" means "fiscal year" as defined in Section 7701(a)(24) of the Internal Revenue Code;

(7) "Individual" means a natural person;

(8) For taxable years beginning on or after January 1, 1974, "federal income tax" means the amount of federal income tax actually paid or accrued for the taxable year on taxable income as defined in Section 63 of the Internal Revenue Code, and taxed under the provisions of this chapter, minus any federal tax credits actually utilized by the taxpayer;

(9) "Gross income" in the case of taxpayers other than corporations means "gross income" as defined in Section 61 of the Internal Revenue Code and adjusted as follows:

(a) Exclude income that is exempt from state taxation by the Kentucky Constitution and the Constitution and statutory laws of the United States;

(b) Exclude income from supplemental annuities provided by the railroad retirement act of 1937 as amended and which are subject to federal income tax by Public Law 89-699;

(c) Include interest income derived from obligations of sister states and political subdivisions thereof;

(d) Exclude employe pension contributions picked up as provided for in KRS 61.560, 16.545, 78.610, 161.540, 21.360, 6.505, 67A.320, 67A.510, and 65.155 upon a ruling by the Internal Revenue Service or the federal courts that these contributions shall not be included as gross income until such time as the contributions are distributed or made available to the employe;

(10) "Adjusted gross income" in the case of taxpayers other than corporations means gross income as defined in subsection (9) of this section minus the deductions allowed individuals by Section 62 of the Internal Revenue Code and adjusted as follows, except that deductions shall be limited to amount allocable to income subject to taxation under the provisions of this chapter, and except that nothing in this chapter shall be construed to permit the same item to be deducted more than once:

(a) Include all overpayments of federal income tax refunded or credited to the taxpayer during the taxable year;

(b) Deduct federal income tax;

(11) "Net income" in the case of taxpayers other than corporations means adjusted gross income as defined in subsection (10) of this section minus the standard deduction allowed by KRS 141.081, or, at the option of the taxpayer, minus all the deductions allowed individuals by Chapter 1 of the Internal Revenue Code and by Section 214 of the Internal Revenue Code as it existed on December 31, 1975 except those listed below, except that deductions shall be limited to amounts allocable to income subject to taxation under the provisions of this chapter and that nothing in this chapter shall be construed to permit the same item to be deducted more than once:

(a) Any deduction allowed by the Internal Revenue Code for state taxes measured by gross or net income, except that such taxes paid to foreign countries may be deducted;

(b) Any deduction allowed by the Internal Revenue Code for amounts allowable under KRS 140.090*(1)*(h) in calculating the value of the distributive shares of the estate of a decedent, unless there is filed with the income return a statement that such deduction has not been claimed under KRS 140.090*(1)*(h);

(c) The deduction for personal exemptions allowed under Section 151 of the Internal Revenue Code and any other deductions in lieu thereof;

(12) "Gross income," in the case of corporations, means "gross income" as defined in Section 61 of the Internal Revenue Code and adjusted as follows:

(a) Exclude income that is exempt from state taxation by the Kentucky Constitution and the Constitution and statutory laws of the United States;

(b) Exclude all dividend income received after December 31, 1969;

(c) Include interest income derived from obligations of sister states and political subdivisions thereof;

(d) Exclude fifty percent (50%) of gross income derived from any disposal of coal covered by Section 631(c) of the Internal Revenue Code if the corporation does not claim any deduction for percentage depletion, or for expenditures attributable to the making and administering of the contract under which such disposition occurs or to the preservation of the economic interests retained under such contract;

(e) Include in the gross income of lessors income tax payments made by lessees to lessors under the provisions of Section 110 of the Internal Revenue Code, and exclude such payments from the gross income of lessees;

(f) Include the amount calculated under KRS 141.205;

(g) Ignore the provisions of Section 281 of the Internal Revenue Code in computing gross income;

(13) "Net income," in the case of corporations, means "gross income" as defined in subsection (12) of this section minus all the deductions from gross income allowed corporations by Chapter 1 of the Internal Revenue Code, except the following:

(a) Any deduction for a state tax which is computed, in whole or in part, by reference to gross or net income and which is paid or accrued to any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or to any foreign country or political subdivision thereof;

(b) 1. The total of the deductions allowed under Section 168 of the Internal Revenue Code shall be determined by dividing the total by a factor of one and four-tenths (1.4). The taxpayer's basis in any individual property shall be the same as the basis in such property for federal income tax purposes.

2. Effective for tax years beginning on and after July 1, 1984, the total of the deductions allowed for any tax year under Section 168 of the Internal Revenue Code shall be the total allowed for Kentucky tax purposes.

3. Effective for the tax year beginning on or after July 1, 1984 and for the five (5) successive tax years thereafter, corporations which computed depreciation deductions under the provisions of paragraph (b) 1. of this subsection shall be allowed to deduct from gross income one-sixth (1/6) of the total difference between the amount of depreciation calculated under Section 168 of the Internal Revenue Code and the amount of depreciation determined under the provisions of paragraph (b) 1. of this subsection.

4. The provisions of KRS Chapter 45 notwithstanding, the department of revenue shall compute and transmit to the Governor and the legislative research commission, on or before December 1, 1983, an estimate of corporation income tax revenues which would accrue to the state's general fund for each of the fiscal years 1984-85 and 1985-86 under the following premises:

a. That the provisions of paragraph (b) 2. and (b) 3. of this subsection are in effect for those fiscal years;

b. That the provisions of paragraph (b) 2. of this subsection are repealed effective for tax year beginning on or after July 1, 1984;

c. That the provisions of paragraph (b) 3. of this subsection are repealed effective for tax years beginning on or after July 1, 1984; and

d. That the provisions of paragraphs (b) 2. and (b) 3. of this subsection are repealed effective for tax years beginning on or after July 1, 1984.

(c) The deductions contained in Sections 243, 244, 245, and 247 of the Internal Revenue Code;

(d) The provisions of Section 281 of the Internal Revenue Code shall be ignored in computing net income;

(e) Any deduction directly or indirectly allocable to income which is either exempt from taxation or otherwise not taxed under the provisions of this chapter, and nothing in this chapter shall be construed to permit the same item to be deducted more than once;

(14) (a) "Taxable net income," in the case of corporations having property or payroll only in this state, means "net income" as defined in subsection (13) of this section;

(b) "Taxable net income," in the case of corporations having property or payroll both within and without this state means "net income" as defined in subsection (13) of this section and as allocated and apportioned under KRS 141.120; and

(c) "Property" means either real property or tangible personal property which is either owned or leased. "Payroll" means compensation paid to one or more individuals, as described in KRS 141.120(8)(b). Property and payroll are deemed to be entirely within this state if all other states are prohibited by Public Law 86-272, as it existed on December 31, 1975, from enforcing income tax jurisdiction;

(15) "Person" means "person" as defined in Section 7701(a)(1) of the Internal Revenue Code;

(16) "Taxable year" means the calendar year or fiscal year ending during such calendar year, upon the basis of which net income is computed and in the case of a return made for a fractional part of a year under the provisions of this chapter or under regulations prescribed by the commissioner, "taxable year" means the period for which such return is made;

(17) "Resident" means an individual domiciled within this state or an individual who is not domiciled in this state, but maintains a place of abode in this state and spends in the aggregate more than 183 days of the taxable year in this state;

(18) "Nonresident" means any individual not a resident of this state;

(19) "Employer" means "employer" as defined in Section 3401(d) of the Internal Revenue Code;

(20) "Employe" means "employe" as defined in Section 3401(c) of the Internal Revenue Code;

(21) "Number of withholding exemptions claimed" means the number of withholding exemptions claimed in a withholding exemption certificate in effect under KRS 141.325, except that if no such certificate is in effect, the number of withholding exemptions claimed shall be considered to be zero;

(22) "Wages" means "wages" as defined in Section 3401(a) of the Internal Revenue Code and includes other income subject to withholding as provided in Section 3401(f) and Section 3402(k), (o), (p), and (q) of the Internal Revenue Code;

(23) "Payroll period" means "payroll period" as defined in Section 3401(b) of the Internal Revenue Code;

(24) "Corporations" means "corporations" as defined in Section 7701(a)(3) of the Internal Revenue Code;

(25) *"S Corporation"* [~~"Electing small business corporations"~~] means *an "S corporation"* *[~~"electing small business corporations"~~*] as defined in Section *1361(a)* [~~1371(b)~~] of the Internal Revenue Code. Stockholders of a corporation qualifying after December 31, 1979 as *an "S corporation"* [~~"electing small business corporations"~~] under Chapter 141 may elect to treat such qualification as an initial qualification under Internal Revenue Code Sections *1361*-[~~1371-~~]1378.

Section 4. Whereas, enactment of the Subchapter S Revision Act of 1982 can create major differences between Kentucky and federal qualification for corporate Subchapter S status and in taxation of Subchapter S income to both corporate and individual taxpayers, an emergency is declared to exist and Section 3 of this Act shall become effective upon passage and approval by the Governor.

The Committee Substitute to **HB 932** is as follows:

HB 932, AN ACT relating to revenue and taxation and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 134.810 is amended to read as follows:

(1) All state, county, school and special taxing district ad valorem taxes shall be due and payable on or before the last day of the month in which registration is required by law for all motor vehicles renewed or transferred.

(2) All state, county, school and special taxing district ad valorem taxes due on motor vehicles shall become delinquent following the end of the month in which registration is required by law.

(3) Any taxes which are paid within thirty (30) days of becoming delinquent shall be subject to a penalty of three percent (3%) on the taxes due. Any taxes which are not paid within thirty (30) days of becoming delinquent shall be subject to a penalty of ten percent (10%) on the taxes due. In addition, interest at an annual rate of fifteen percent (15%) shall accrue on said taxes and penalty from the date of delinquency. The county clerk *may* [~~shall~~] file a lien on any motor vehicle for which taxes have become delinquent on behalf of the state, county, school, and special taxing districts and record such lien on the face of the certificate of title and registration, and also record the lien in the manner in which lis pendens are recorded.

(4) When a motor vehicle has been transferred before registration renewal or before taxes due have been paid, the purchaser shall become liable for the taxes on said motor vehicle.

(5) In the event that an owner obtains a certificate of registration for a motor vehicle valid through the last day of his second birth month following the month and year in which he applied for a certificate of registration, all state, county, school, and special tax district ad valorem tax liabilities arising from the assessment date following initial registration are due and payable on or before the last day of the first birth month following said assessment date or date of transfer, whichever is earlier. Any taxes due under the provisions of this subsection and not paid as set forth above shall be considered delinquent and subject to the same interest and penalties found in subsection (3) of this section.

Section 2. KRS 138.460 is amended to read as follows:

(1) On and after July 1, 1972 a tax levied upon its retail price at the rate of five percent shall be paid on the use in this state of every motor vehicle, except those exempted by KRS 138.470, at the time and in the manner provided in this section. In the case of trucks of gross weight in excess of ten thousand pounds (10,000 lbs.) the tax shall be levied upon ninety percent of the retail price of the vehicle.

(2) The tax shall be collected by the county clerk or other officer with whom the vehicle is required to be registered:

(a) When he collects the registration fee for registering and licensing a motor vehicle the first time it is offered for registration in this state,

(b) Or upon the transfer of ownership of any motor vehicle previously registered in this state.

(3) The tax collected by the county clerk under this section shall be reported and remitted to the department of revenue on forms provided by the department and on such forms as the department may prescribe. The county clerk shall for his services in collecting the tax be entitled to retain an amount equal to three percent (3%) of the tax collected and accounted for.

(4) No county clerk or other officer shall register or issue any license tags to the owner of any motor vehicle subject to this tax, when the vehicle is then being offered for registration for the first time, or transfer the ownership of any motor vehicle previously registered in this state, unless the owner or his agent pays the tax levied under this section in addition to the transfer, registration and license fees.

(5) When a resident of this state offers a motor vehicle for registration for the first time in this state [~~which was registered in another state that levied a tax substantially identical to the tax levied under this section~~], such person shall be entitled to receive a credit against the tax imposed by this section equal to the amount of *a substantially identical* tax *previously* paid to *another* [~~the other~~] state. [~~No credit shall be given under this subsection for taxes paid in another state if that state does not grant similar credit for substantially identical taxes paid in this state.~~]

(6) No county clerk or other officer shall register or issue any license tags to the owner of any motor vehicle subject to this tax, when the vehicle is then being offered for registration for the first time, unless the seller or his agent delivers to the county clerk or other officer a certified or photostat copy of the manufacturer's price label for passenger cars or a certified or photostat copy of the itemized billing to the customer in the case of all other motor vehicles; and the clerk shall attach the certified or photostat copy to the copy of the certificate of registration and ownership mailed to the department.

(7) Notwithstanding the provisions of KRS 138.450(4), in no case shall the tax be less than five dollars ($5.00) upon first registration of or any transfer of ownership of a motor vehicle in this state, except where such vehicle is exempt from tax under KRS 138.470.

(8) Where a [~~new~~] motor vehicle is sold [~~by a dealer~~] in this state and the [~~original~~] purchaser returns the vehicle for any reason to the *seller* [~~same dealer~~] within sixty (60) days for a [~~new~~] vehicle replacement or a refund of the purchase price, the purchaser shall be entitled to a refund of the amount of usage tax received by the department of revenue as a result of the registration of the returned vehicle. The registration of the returned vehicle shall be cancelled. *If the returned vehicle was either a new vehicle or a used vehicle not previously registered in Kentucky, such* [~~and the~~] vehicle shall be considered to have not been previously registered in Kentucky when resold by the *seller* [~~dealer~~].

(9) When a manufacturer refunds the retail purchase price or replaces a new motor vehicle for the

original purchaser within ninety (90) days because of malfunction or defect, the purchaser shall be entitled to a refund of the amount of motor vehicle usage tax received by the department of revenue as a result of the first registration. No person shall be entitled to a refund unless he shall have filed with the department of revenue an affidavit from the manufacturer identifying the vehicle that was replaced and stating the date of replacement.

Section 3. KRS 139.480 is amended to read as follows:

Any other provision of this chapter to the contrary notwithstanding, the terms "sale at retail," "retail sale," "use," "storage," and "consumption," as used in this chapter do not include the sale, use, storage, or other consumption of:

(1) Locomotives or rolling stock, including materials for the construction, repair, or modification thereof, or fuel or supplies for the direct operation of locomotives and trains, used or to be used in interstate commerce;

(2) Coal for the manufacture of electricity;

(3) All energy or energy-producing fuels, *other than coal for the manufacture of electricity,* used in the course of manufacturing, processing, mining, or refining to the extent that the cost of the energy or energy-producing fuels used exceeds three percent (3%) of the cost of production. Cost of production shall be computed on the basis of plant facilities which shall mean all permanent structures affixed to real property at one (1) location;

(4) Livestock of a kind the products of which ordinarily constitute food for human consumption provided the sales are made for breeding or dairy purposes and by or to a person regularly engaged in the business of farming;

(5) Poultry for use in breeding or egg production;

(6) Farm work stock for use in farming operations;

(7) Seeds, the products of which ordinarily constitute food for human consumption or are to be sold in the regular course of business, feed for livestock or poultry of a kind the products of which ordinarily constitute food for human consumption, and commercial fertilizer to be applied on land the products from which are to be used for food for human consumption or are to be sold in the regular course of business; Provided such sales are made to farmers who are regularly engaged in the occupation of tilling and cultivating the soil for the production of crops as a business, or who are regularly engaged in the occupation of raising and feeding livestock or poultry or producing milk for sale; and provided further that such tangible personal property so sold is to be used only by those persons designated above who are so purchasing;

(8) Machinery for new and expanded industry;

(9) Farm machinery. As used in this section the term "farm machinery" means machinery used exclusively and directly in the occupation of tilling the soil for the production of crops as a business, or in the occupation of raising and feeding livestock or poultry or of producing milk for sale. The term "farm machinery" as used in this section includes machinery, attachments, and replacements therefor, repair parts, and replacement parts which are used or manufactured for use on, or in the operation of farm machinery and which are necessary to the operation of such machinery, and are customarily so used; but this exemption shall not include automobiles, trucks, trailers, and truck-trailer combinations;

(10) Property which has been certified as a pollution control facility as defined in KRS 224.850;

(11) Tombstones and other memorial grave markers; and

(12) On-farm facilities used exclusively for grain or soybean storing, drying, processing, or handling. The exemption applies to the equipment, machinery, attachments, repair and replacement parts, and any materials incorporated into the construction, renovation, or repair of such facilities;

(13) Gasoline, special fuels, and liquefied petroleum gas used to operate or propel stationary engines or tractors for agricultural purposes. As used in this subsection:

(a) "Gasoline" is defined as in KRS 138.210(4);

(b) "Special fuels" is defined as in KRS 138.560(3);

(c) "Liquefied petroleum gas" is defined as in KRS 234.100(1); and

(d) "Agricultural purposes" is defined as in KRS 138.343(4);

(14) Textbooks, including related workbooks and other course materials, purchased for use in a course of study conducted by an institution which qualifies as a nonprofit educational institution under KRS 139.495. The term "course materials" means only those items specifically required of all students for a particular course but does not include notebooks, paper, pencils, calculators, tape recorders, or similar student aids;

(15) Any property which has been certified as an alcohol production facility as defined in KRS 247.910; and

(16) Aircraft, repair and replacement parts therefor, and supplies, except fuel, for the direct operation of aircraft in interstate commerce and used exclusively for the conveyance of property for hire. Nominal intrastate use will not subject the property to the taxes imposed by this chapter.

SECTION 4. A NEW SECTION OF KRS CHAPTER 139 IS CREATED TO READ AS FOLLOWS:

The exemption granted under the provisions of KRS 139.480(2), measured in terms of the amount of tax liability which otherwise would have been incurred, shall be reduced by the amount, if any, by which:

(1) The greater of:

(a) The severance tax imposed by KRS 143.020; or

(b) The severance tax which would have been imposed if such coal had been subject to KRS 143.020.

(2) Exceeds the severance tax actually imposed on any coal exempted by KRS 139.480(2).

Section 5. It is the intent of the General Assembly that if the provisions of Section 4 of this Act are declared unconstitutional, the provisions of KRS 141.010(13)(c) shall be invalid and shall have no effect.

Section 6. KRS 141.010 is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Commissioner" means the commissioner of revenue;

(2) "Department" means the department of revenue;

(3) For tax years beginning on or after January 1, *1984* [~~1982~~], except as otherwise provided in this section, "Internal Revenue Code" means the Internal Revenue Code in effect on December 31, *1983* [~~1981~~], including the provisions of the *Subchapter S Revision Act of 1982* [~~Economic Recovery Tax Act of 1981~~] effective on the dates specified in that law, but excluding the provisions of Section 168(f)(8) of the Internal Revenue Code, exclusive of any amendments made subsequent to that date;

(4) "Dependent" means those persons defined as dependents in the Internal Revenue Code;

(5) "Fiduciary" means "fiduciary" as defined in Section 7701(a)(6) of the Internal Revenue Code;

(6) "Fiscal year" means "fiscal year" as defined in Section 7701(a)(24) of the Internal Revenue Code;

(7) "Individual" means a natural person;

(8) For taxable years beginning on or after January 1, 1974, "federal income tax" means the amount of federal income tax actually paid or accrued for the taxable year on taxable income as defined in Section 63 of the Internal Revenue Code, and taxed under the provisions of this chapter, minus any federal tax credits actually utilized by the taxpayer;

(9) "Gross income" in the case of taxpayers other than corporations means "gross income" as defined in Section 61 of the Internal Revenue Code and adjusted as follows:

(a) Exclude income that is exempt from state taxation by the Kentucky Constitution and the Constitution and statutory laws of the United States;

(b) Exclude income from supplemental annuities provided by the railroad retirement act of 1937 as amended and which are subject to federal income tax by Public Law 89-699;

(c) Include interest income derived from obligations of sister states and political subdivisions thereof;

(d) Exclude employe pension contributions picked up as provided for in KRS 61.560, 16.545, 78.610, 161.540, 21.360, 6.505, 67A.320, 67A.510, and 65.155 upon a ruling by the Internal Revenue Service or the federal courts that these contributions shall not be included as gross income until such time as the contributions are distributed or made available to the employe;

(10) "Adjusted gross income" in the case of taxpayers other than corporations means gross income as defined in subsection (9) of this section minus the deductions allowed individuals by Section 62 of the Internal Revenue Code and adjusted as follows, except that deductions shall be limited to amount allocable to income subject to taxation under the provisions of this chapter, and except that nothing in this chapter shall be construed to permit the same item to be deducted more than once:

(a) Include all overpayments of federal income tax refunded or credited to the taxpayer during the taxable year;

(b) Deduct federal income tax;

(11) "Net income" in the case of taxpayers other than corporations means adjusted gross income as defined in subsection (10) of this section minus the standard deduction allowed by KRS 141.081, or, at the option of the taxpayer, minus all the deductions allowed individuals by Chapter 1 of the Internal Revenue Code and by Section 214 of the Internal Revenue Code as it existed on December 31, 1975 except those listed below, except that deductions shall be limited to amounts allocable to income subject to taxation under the provisions of this chapter and that nothing in this chapter shall be construed to permit the same item to be deducted more than once:

(a) Any deduction allowed by the Internal Revenue Code for state taxes measured by gross or net income, except that such taxes paid to foreign countries may be deducted;

(b) Any deduction allowed by the Internal Revenue Code for amounts allowable under KRS 140.090*(1)*(h) in calculating the value of the distributive shares of the estate of a decedent, unless there is filed with the income return a statement that such deduction has not been claimed under KRS 140.090*(1)*(h);

(c) The deduction for personal exemptions allowed under Section 151 of the Internal Revenue Code and any other deductions in lieu thereof;

(12) "Gross income," in the case of corporations, means "gross income" as defined in Section 61 of the Internal Revenue Code and adjusted as follows:

(a) Exclude income that is exempt from state taxation by the Kentucky Constitution and the Constitution and statutory laws of the United States;

(b) Exclude all dividend income received after December 31, 1969;

(c) Include interest income derived from obligations of sister states and political subdivisions thereof;

(d) Exclude fifty percent (50%) of gross income derived from any disposal of coal covered by Section 631(c) of the Internal Revenue Code if the corporation does not claim any deduction for percentage depletion, or for expenditures attributable to the making and administering of the contract under which such disposition occurs or to the preservation of the economic interests retained under such contract;

(e) Include in the gross income of lessors income tax payments made by lessees to lessors under the provisions of Section 110 of the Internal Revenue Code, and exclude such payments from the gross income of lessees;

(f) Include the amount calculated under KRS 141.205;

(g) Ignore the provisions of Section 281 of the Internal Revenue Code in computing gross income;

(13) "Net income," in the case of corporations, means "gross income" as defined in subsection (12) of this section minus all the deductions from gross income allowed corporations by Chapter 1 of the Internal Revenue Code, except the following:

(a) Any deduction for a state tax which is computed, in whole or in part, by reference to gross or net income and which is paid or accrued to any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or to any foreign country or political subdivision thereof;

(b) [~~1.~~] The total of the deductions allowed under Section 168 of the Internal Revenue Code shall be determined by dividing the total by a factor of one and four-tenths (1.4). The taxpayer's basis in any individual property shall be the same as the basis in such property for federal income tax purposes.

(c) Notwithstanding the provisions of paragraph (b) of this subsection, effective for taxable years beginning on and after July 1, 1984, the deduction allowed for fifteen (15) year public utility property shall be the total allowed for such property under Section 168 of the Internal Revenue Code [~~2. Effective for tax years beginning on and after July 1, 1984, the total of the deductions allowed for any tax year under Section 168 of the Internal Revenue Code shall be the total allowed for Kentucky tax purposes.~~

~~3. Effective for the tax year beginning on or after July 1, 1984 and for the five (5) successive tax years thereafter, corporations which computed depreciation deductions under the provisions of paragraph (b) 1. of this subsection shall be allowed to deduct from gross income one-sixth (1/6) of the total difference between the amount of depreciation calculated under Section 168 of the Internal Revenue Code and the amount of depreciation determined under the provisions of paragraph (b) 1. of this subsection.~~

~~4. The provisions of KRS Chapter 45 notwithstanding, the department of revenue shall compute and transmit to the Governor and the legislative research commission, on or before December 1, 1983, an estimate of corporation income tax revenues which would accrue to the state's general fund for each of the fiscal years 1984-85 and 1985-86 under the following premises:~~

~~a. That the provisions of paragraph (b) 2. and (b) 3. of this subsection are in effect for those fiscal years;~~

~~b. That the provisions of paragraph (b) 2. of this subsection are repealed effective for tax year beginning on or after July 1, 1984;~~

~~c. That the provisions of paragraph (b) 3. of this subsection are repealed effective for tax years beginning on or after July 1, 1984; and~~

~~d. That the provisions of paragraphs (b) 2. and (b) 3. of this subsection are repealed effective for tax years beginning on or after July 1, 1984~~].

(d)[~~(c)~~] The deductions contained in Sections 243, 244, 245, and 247 of the Internal Revenue Code;

(e)[~~(d)~~] The provisions of Section 281 of the Internal Revenue Code shall be ignored in computing net income;

(f)[~~(e)~~] Any deduction directly or indirectly allocable to income which is either exempt from taxation or otherwise not taxed under the provisions of this chapter, and nothing in this chapter shall be construed to permit the same item to be deducted more than once;

(14) (a) "Taxable net income," in the case of corporations having property or payroll only in this state, means "net income" as defined in subsection (13) of this section;

(b) "Taxable net income," in the case of corporations having property or payroll both within and without this state means "net income" as defined in subsection (13) of this section and as allocated and apportioned under KRS 141.120; and

(c) "Property" means either real property or tangible personal property which is either owned or leased. "Payroll" means compensation paid to one or more individuals, as described in KRS 141.120(8)(b). Property and payroll are deemed to be entirely within this state if all other states are prohibited by Public Law 86-272, as it existed on December 31, 1975, from enforcing income tax jurisdiction;

(15) "Person" means "person" as defined in Section 7701(a)(1) of the Internal Revenue Code;

(16) "Taxable year" means the calendar year or fiscal year ending during such calendar year, upon the basis of which net income is computed and in the case of a return made for a fractional part of a year under the provisions of this chapter or under regulations prescribed by the commissioner, "taxable year" means the period for which such return is made;

(17) "Resident" means an individual domiciled within this state or an individual who is not domiciled in this state, but maintains a place of abode in this state and spends in the aggregate more than 183 days of the taxable year in this state;

(18) "Nonresident" means any individual not a resident of this state;

(19) "Employer" means "employer" as defined in Section 3401(d) of the Internal Revenue Code;

(20) "Employe" means "employe" as defined in Section 3401(c) of the Internal Revenue Code;

(21) "Number of withholding exemptions claimed" means the number of withholding exemptions claimed in a withholding exemption certificate in effect under KRS 141.325, except that if no such certificate is in effect, the number of withholding exemptions claimed shall be considered to be zero;

(22) "Wages" means "wages" as defined in Section 3401(a) of the Internal Revenue Code and includes other income subject to withholding as provided in Section 3401(f) and Section 3402(k), (o), (p), and (q) of the Internal Revenue Code;

(23) "Payroll period" means "payroll period" as defined in Section 3401(b) of the Internal Revenue Code;

(24) "Corporations" means "corporations" as defined in Section 7701(a)(3) of the Internal Revenue Code;

(25) *"S Corporation"* [~~"Electing small business corporations"~~] means *an "S corporation"* [~~*"electing small business corporations"*~~] as defined in Section *1361(a)* [~~1371(b)~~] of the Internal Revenue Code. Stockholders of a corporation qualifying after December 31, 1979 as *an "S corporation"* [~~"electing small business corporations"~~] under Chapter 141 may elect to treat such qualification as an initial qualification under Internal Revenue Code Sections *1361*-[~~1371~~]1378.

Section 7. KRS 141.170 is amended to read as follows:

(1) The department of revenue may grant a taxpayer other than a corporation a reasonable extension of time for filing his income return whenever in its judgment good cause exists, and shall keep a record of every such extension. Except in case of a taxpayer who is abroad, no extension shall be granted for more than six months, and in no case for more than one year.

(2) A corporation may be granted an extension of not more than six (6) months for filing its income return provided it timely requests such extension before the due date of the return and, [~~pays ninety percent (90%) of its liability~~] prior to the granting of an extension, *pays an amount equal to either:*

(a) The tax shown on the return of the corporation for the preceding taxable year, if a return showing a liability for tax was filed by the corporation for the preceding taxable year and such preceding year was a taxable year of twelve (12) months; or

(b) Ninety percent (90%) of its liability for the taxable year. The liability shall be reduced by any estimated tax payments, overpayment(s) from prior year(s) or other prepayments which may be properly claimed as a credit.

(3) If the time for filing a return is deferred, the taxpayer shall pay, as part of the tax, an amount equal to the tax interest rate as defined in KRS 131.010(6) on the tax ultimately assessed, but not previously paid, from the time the return was due until it is actually filed in the office of the department.

Section 8. Whereas, enactment of the Subchapter S Revision Act of 1982 can create major differences between Kentucky and federal qualification for corporate Subchapter S status and in taxation of Subchapter S income to both corporate and individual taxpayers, an emergency is declared to exist and Section 6 of this Act shall become effective upon passage and approval by the Governor.

The Committee Amendment No. 1 to the Committee Substitute to **HB 932** is as follows:

Amend printed copy of Committee Substitute to **HB 932** on page 5, line 19 by adding after the period (.) the following:

"*Where a motor vehicle is sold by a dealer in this state the sixty (60) days shall be extended to include the time the purchaser and dealer are involved in formal arbitration or litigation. The sixty (60) days and any extensions thereof shall conclude upon certification by the motor vehicle dealer that the vehicle has been returned and the reason therefor.*"

The Committee on Appropriations and Revenue reported **HJR 25**, with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

The Committee Amendment No. 1 to **HJR 25** is as follows:

Amend printed copy of **HJR 25** on page 1, line 1 of the preamble, by deleting the word "Governor" and inserting in lieu thereof the words "Legislative Research Commission";

On page 2, line 2 by deleting the words "Governor's office" and inserting in lieu thereof the words "Legislative Research Commission";

line 3 by deleting the word "nine" and inserting in lieu thereof the word "five";

line 4 by deleting the word "Governor" and inserting in lieu thereof the words "Legislative Research Commission";

line 7 by deleting the word "Governor" and inserting in lieu thereof the words "Legislative Research Commission";

lines 20, 21 and 22 by deleting in its entirety the sentence commencing with the word "The" on line 20, continuing on line 21, and concluding on line 22;

On page 3, after line 16 by adding the following:

"(5) Investigate and conduct hearings on the potential of transporting coal on the inland water system."

Motions, Petitions, and Communications (continued)

The following meetings were announced:

Natural Resources and Environment: On adjournment, Room 104.

Counties and Special Districts: Thursday, 10:00 a.m., Room 103.

Education: Cancelled on adjournment today. Wednesday, on adjournment, Room 110.

Agriculture and Small Business: Wednesday, 9:00 a.m.

Judiciary-Criminal: Cancelled today.

Representative Williams moved the adoption of the following Legislative Citations Nos. 115 through 122. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby salutes you, Laken Cosby, for your laudable work for the betterment of the Black community. Your past presidency of the NAACP is especially noteworthy as you are still very active in the housing aspect of the association, both public and private. Your devotion to Human Rights was evidenced when you were active in negotiations with Humana Hospital to insure that they would have an affirmative action plan when they acquired the University of Louisville Hospital. Your many years of service as a borad member and first Vice President of the Association; your long hours and tireless efforts to improve the quality of life of Black people, your compassion and selfless dedication to the goals and objectives of the NAACP, in addition to your guidance and wise counseling of the NAACP are exemplary.

This honorable body applauds you for your fine accomplishments and recognizes that you are a true soldier in the struggle for equality and justice for all the people in the Commonwealth of Kentucky. (Sponsored by Representative Williams)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Geoffrey Ellis, for your impressive work as Chairman of the Education Committee of the NAACP. Your perseverance and noble example have proven very rewarding as you continue to make strides for education and equality and justice for black students, faculty and administrators. As a member of the Committee of the Nineteen, you advised the Jefferson County School Superintendent on issues concerning school desegregation. You have shared generously of your knowledge, time, resources and experiences, for which we are sincerely grateful. Your seven years as a member of the Louisville Branch NAACP have contributed greatly to the effectiveness of the association.

This prestigious body salutes you and extends to you our best wishes for continued success. (Sponsored by Representative Williams)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Roachelle Goatley, for your laudable service to the Louisville Chapter of the NAACP. Your tenure as Vice President of the Association, as well as the many years you spent as Vice President of the Salome C. Worthington Auxiliary is exemplary of your efforts to serve the Black Community. The NAACP has certainly profited by your endless hours of service. Your contribution to membership, fund raising, voter registration and other ongoing activities of the association is especially noteworthy.

This honorable body commends you for your fortitude, dedication and most noteworthy accomplishments. (Sponsored by Representative Williams)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Willy Gray, past Chairman and the most productive member of the NAACP membership committee. Your tenure of more than a decade as a NAACP board member is most impressive and your laudable service has contributed greatly to the betterment of the rights for the Black people in the Commonwealth of Kentucky.

This prestigious body commends you for your fortitude, dedication and most noteworthy endeavors. (Sponsored by Representative Williams)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Irene Kilgore, for your unlimited hours of service rendered by untiring efforts to serve the NAACP. Your five years as chairman of the Life Membership Committee of the NAACP is exemplary of your outstanding level of performance. You have worked long hours and endless days increasing the Life Membership rolls of the Association. Without your deep commitment to the NAACP, many of the projects of the Association would not have been possible. Your contribution to the Association is most admirable and your leadership and influence is far reaching and most creditable.

This honorable body salutes you for your fortitude and dedication to the NAACP. (Sponsored by Representative Williams)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Dr. Joseph McMillan, for your steadfast performance and wholehearted devotion to the Black Community of Louisville, Kentucky. The National Black Family Conference has benefited greatly from your active participation as conference coordinator for the past seven years. Due to your dedication as a committee member for the fight against merging City and County governments, the proposal was defeated. Your exemplary record demonstrates great personal sacrifices and constant efforts to serve your community. Your humanitarian and benevolent spirit is admirably reflected in your public service demonstrated through your involvement as chairman of Pac-10 and President of the Board for the Louisville and Jefferson County Human Relations Commission.

This honorable body highly commends you for your fortitude, dedication and most noteworthy accomplishments. (Sponsored by Representative Williams)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Maurice Sweeney, for your excellent contribution and notable years of service as President of the Louisville Chapter of the NAACP. Your exemplary and noteworthy record in your tireless efforts to serve the association have brought you well-deserved recognition and honors. Your dedication to the subject of school desegregation is especially noteworthy. Your high standards have brought honor and great pride to the Louisville Chapter of the NAACP.

This prestigious body salutes you and praises you for the great distinction you have brought to your community. (Sponsored by Representative Williams)

The House of Representatives of the Commonwealth of Kentucky hereby commends the Salome C. Worthington Auxiliary, a constituent and subordinate unit of the Louisville NAACP, for your distinguished services and your extraordinary contributions to the Black Community. Mrs. Marion Hodge, with the assistance of Mrs. Evelyn Whitehurst Harris, prioneered the organization of the auxiliary in November, 1967, to improve communication within the black community and to aid the local Branch in successfully meeting its financial quota to the National office. Your laudable services have been beneficial and supportive for numerous fund raisers, including the Freedom Fund Banquet. Other notable projects have included participation in Voter Education, a beautification project for the local NAACP Building, contributions to the NAACP Telethon, Christmas parties for the senior citizens of Fairlodge, donations to local orphanages, and participation in the Black Expo on behalf of the NAACP, and the African Heritage Weekend on the Belvedere. This honorable body praises Evelyn Travis, Edna Malone, Rachelle Goatley, Anna Veal, Flora Anderson, Ruth McEwen, Themla Pointer, and Priscilla Kidwell for your outstanding contributions to the Auxiliary.

Accept our highest commendation for a voluntary service "Well Done" in enriching the lives of your fellowman. (Sponsored by Representative Williams)

Representative Gedling moved the adoption of the following Legislative Citation No. 123. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby extends our most sincere congratulations to Mrs. Emma Carman on your one hundred and fourth birthday, March 23, 1984. Born in 1880, to Ezra and Susan Carman, you have been a lifetime native of Breckinrdige County, Kentucky. To surpass the century mark is a blessed privilege and distinct honor. Your unselfish and life-long devotion to the Constantine Methodist Church, your community family and friends has been a source of inspiration and joy to all that have known you, "Big Emma," as you have been so affectionately nick-named. Your son and daughter-in-law, Earl and Alma B. Carman, and a host of friends join the members of this body in saluting you and extending to your sincere best wishes for continued health and happiness in the years to come. (Sponsored by Representative Gedling)

Representative Seum moved that he be recorded as voting "yea" on **HR 121**. Agreed.

Representative Yates moved that he be recorded as voting "yea" on **HB 778**. Agreed.

Representative Yates moved that he be recorded as voting "yea" on **HB 885**. Agreed.

Representative Yates moved that he be recorded as voting "yea" on **HB 939**. Agreed.

Representative Riner moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Riner moved the adoption of the following **HR 134**.

HR 134, A RESOLUTION concerning human rights violations by the Socialist Republic of Romania and declaring a boycott of Romanian products.

WHEREAS, the Romanian Orthodox Priest Gheorghe Calciu was arrested March 10, 1979, and given a ten year sentence for his leadership in organizing a free trade union; and

WHEREAS, upon appeal, a Romanian court increased the sentence of a Seventh-Day Adventist member, Dorel Catarama, from twelve to fourteen years for refusing to report to work on his Sabbath day; and

WHEREAS, the Romanian government falsely charged Dorel Catarama with embezzeling funds; and

WHEREAS, school teachers seen attending Baptist and Pentecostal churches are being fired and notified of the Romanian Educational Code No. 67 which states that they are incapable of giving students a proper atheistic and communistic indoctrination because of their church attendance; and

WHEREAS, recent firings include Florica Farcas, a French language teacher at school No. 51 in Oradea; Monica Dan, an English teacher in Cluj who was fired on September 10, 1983; and Victoria Faur, an instructor at General School in the Borod-Behor district; and

WHEREAS, students at the Hungarian Roman Catholic Seminary in Alba Iulia have been threatened with expulsion if they refuse to report to the secret police about the activities of their instructors; and

WHEREAS, the families of Ioan Stef and Benjamin Cocar (pastors of the Medias Baptist Church) are the targets of constant harassment and intimidation by the Department of Cults, the Romanian secret police and their sympathizers because of the tremendous growth of the Baptist Church and Stef's and Cocar's boldness as evangelists; and

WHEREAS, the Romanian government refuses to allow Baptist, Pentecostal or Army of the Lords' Churches to print or import enough Bibles or songbooks for use in Romanian churches; and

WHEREAS, during the past two years the Romanian government has not permitted any new students to enter either the Baptist or Pentecostal seminaries in Bucharest; and

WHEREAS, in December of 1983, Nicolae Traian Bogdan became the third member of the Christian Committee for the Defense of Believers' Rights to die under suspicious circumstances; and

WHEREAS, like Petre Clipa and Sabin Teodosiu who died earlier, Bogdan had been harassed by the Romanian secret police prior to his mysterious death; and

WHEREAS, on February 24, 1984, Iosif Stefanut, a Baptist pastor in Braila, was fined $1,300 and dismissed as Secretary of the Baptist Community in Bucharest for illegally distributing Bible study manuals; and

WHEREAS, all pastors are expected to file reports concerning their activities with the state security police every Monday morning; and

WHEREAS, the Romanian government continues long and unnecessary delays in the approval of passports for certain believers, including the Paul and Palina Dragu family, who have waited three years for passports and have been warned by Romanian authorities that they will never be allowed to emigrate; and

WHEREAS, the Vicovu-de-sus Baptist Church from the district of Suceava has waited since 1973 for government authorization to build and operate as a church; and

WHEREAS, the Mangalia Baptist Church from the district of Constanza has waited since January 25, 1978, for government authorization to build and operate as a church; and

WHEREAS, the Slatina Baptist Church from the district of Olt has been waiting since October 24, 1976, for government authorization to build and operate as a church; and

WHEREAS, the Eforea Sud Baptist Church of the district of Constanza has been waiting since December 21, 1976, for government authorization to build and operate as a church; and

WHEREAS, the Falcia Baptist Church of the district of Teleorman has been waiting since January 3, 1976, for government authorization to build and operate as a church; and

WHEREAS, the Bica Chei Baptist Church of the district of Neamt has been waiting since March 4, 1979, for government authorization to build and operate as a church; and

WHEREAS, the Dorohy Baptist Church of the district of Botosani has waited since March 10, 1978, for government authorization to build and operate as a church; and

WHEREAS, the Faurei Baptist Church of the Braila district has waited since 1975 for government authorization to build and operate as a church; and

WHEREAS, the Basarabi Baptist Church of the Constanza district has waited since 1977 for government authorization to build and operate as a church; and

WHEREAS, the Baptist Church in Motru was closed by government action on March 1, 1979; and

WHEREAS, the Aradul Nou Baptist Church in the Arad district was bulldozed by the government in the fall of 1983; and

WHEREAS, the Resita Baptist Church in the Caransebes district was bulldozed for building code violations in 1983 because the church was built one-half meter beyond government specifications -- they were forbidden to rebuild; and

WHEREAS, the Pentecostal Church in Cimpia Turzii was bulldozed by the government for a building code violation in which the church was one foot beyond government specifications; and

WHEREAS, the Baptist Church of Tiganesti was destroyed by an earthquake in March of 1977 and the Romanian government has refused the church permission to rebuild; and

WHEREAS, more than eight hundred members of the Mihai Bravu (Sfinte Trieme) Baptist Church in Bucharest are without adequate facilities since the government bulldozed the church building in December of 1983 and has reneged on promises to provide a new meeting place; and

WHEREAS, the Baptist church in Petru Groza was bulldozed by the government in 1983 and has not been granted authorization to rebuild; and

WHEREAS, over one hundred people must stand outdoors to worship because the government has refused to issue a building permit to the Baptist Church in Hateg; and

WHEREAS, for over twenty years the Baptist Church in Bala-Mare has sought a building permit; and

WHEREAS, having been denied a building permit since 1978, the leaders of Baptist Church No. 5 (Betenia) in Timisoara are being fined 100 lei each day for conducting church meetings in a home; and

WHEREAS, for ten years the Romanian authorities have refused to grant a building permit to the Baptist Church from the village of Ivanesti; and

WHEREAS, for nine years Romanian authorities have denied a building permit to the Baptist Church in the Vasluli district; and

WHEREAS, the Baptist Church in Marghita has sought a building permit since 1969; and

WHEREAS, Romanian authorities have forbidden the Baptist Church in Alesd to meet in their old building, yet for eight years have denied the church a permit to renovate the building; and

WHEREAS, for over ten years the government has denied Baptist Church No. 3 in Oradea permission to build; and

WHEREAS, since 1962 the members of the Baptist Church in Giulesti have sought government permission to open their church and have had to meet illegally in their homes; and

WHEREAS, since 1962 the members of Baptist Church No. 5 in Oradea have been subject to fines for conducting meetings in their homes because the Romanian government refuses to grant them a building permit; and

WHEREAS, the Hungarian Baptist Church in Cluj has been waiting for permission to rebuild since 1967; and

WHEREAS, Baptist congregations in Zalau, Resita, Alexandria and Cluj-Manastur are also awaiting government approval to rebuild churches; and

WHEREAS, more than 30 churches throughout Romania have been closed by the government; and

WHEREAS, the Baptist community in Bucharest has waited since 1971 for government approval to operate Baptist centers in the districts of Botosani, Galati and Bacau; and

WHEREAS, Filip Iulius, a Romanian Orthodox believer from Cluj-Napoca, was arrested in December of 1981 and given an eight year sentence for communicating with the Polish Solidarity movement; and

WHEREAS, Nicolae Litoiu, from the village of Dumbravesti-Malaiesti in the Prahova District, was arrested in September of 1981 and given a twenty-five year prison sentence for writing, on the wall of the factory where he was employed, a slogan "We want bread. We want milk."; and

WHEREAS, the Baptist church from Arad-Bujac was closed by the Romanian government on March 1, 1979, for the purpose of converting the church building into a hospital;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Commonwealth of Kentucky boycott all products manufactured in the Socialist Republic of Romania until substantial progress is made by that government in resolving the specific human rights violations set out in this resolution.

Section 2. That the House urges President Reagan not to renew the Most Favored Nation trading status which the Socialist Republic of Romania now enjoys with the United States.

Section 3. That this honorable body directs the Clerk of the House to send a copy of this resolution to every member of the United States Congress along with a cover letter requesting them to reply to this honorable body on whether or not they would be willing to testify before the U.S. House Subcommittee on Trade and the U.S. Senate Subcommittee on International Trade against the renewal of Romania's Most Favored Nation trading status in protest of the repression of Christian believers by the Romanian government.

Section 4. That the Clerk of the House is directed to transmit a copy of this resolution to President Reagan, the U.S. State Department, the Commission for Security and Cooperation in Europe, the Embassy of the Socialist Republic of Romania, Radio Free Europe/Radio Liberty and the Voice of America, the Associated Press Wire Service, the United Press International Wire Service, the Religious News Service, the Christian Broadcasting Network and the Kentucky Network.

Section 5. That the Clerk of the House is directed to transmit a copy of this resolution along with a cover letter to the legislatures of the remaining forty-nine states requesting them to take concurrent action on this resolution and to notify this honorable body when they have successfully adopted this resolution.

HR 134 was adopted by voice vote.

Representative LeMaster moved that **HB 479** be sent to the Committee on State Government. Agreed.

Representative LeMaster moved that the posting requirement be waived on **HB 479**. Agreed.

Representative Blevins moved that he be recorded as voting "yea" on **HB 772.** Agreed.

Representative Blevins moved that the be recorded as voting "yea" on **HB 885.** Agreed.

Representative Blevins moved that he be recorded as voting "yea" on **HB 939.** Agreed.

Representative T. Jones moved that **HB 27** be withdrawn. Agreed.

The following Floor Amendments were filed to Bills and Resolutions:

Floor Amendment No. 1 to **SB 4,** by Representative Johnson:

Amend printed copy of **SB 4** on page 1, by deleting line 1 in its entirety.

Floor Title Amendment to **SB 17,** by Representative Williams:

Amend printed copy of General Assembly copy of Senate Bill 17, page 1, the title, to delete the word "domestic".

Floor Amendment No. 1 to **SB 67,** by Representative Worthington:

Amend printed copy of General Assembly Copy of 67, page 2, after line 11 by inserting the following:

" Section 2. KRS 177.082 is amended to read as follows:

(1) The Commonwealth of Kentucky, *department* [~~bureau~~] of highways, when seeking to condemn lands and material and the use and occupancy of lands, under the provisions of KRS 177.081, shall direct the county attorney or any attorney authorized to represent the Commonwealth to file a petition in the office of the circuit court clerk in the county in which all or the greater portion is the land or material is located. [~~If any authorized attorney, other than the county attorney, is directed to file the petiion, the county attorney shall assist in the prosecution of the action.~~] The petition shall be filed in the name of the Commonwealth of Kentucky, *department* [~~bureau~~] of highways, and may join as plaintiff the county in which any part of the property is situated, or in which the petition is filed, or any municipality thereof.

(2) Any person in a law firm with which the county attorney is associated, including the county attorney, may represent the condemnee landowners in a condemnation case in which the county attorney is not representing the Commonwealth of Kentucky, department of highways."

Floor Amendment No. 1 to **SB 152,** by Representative Farrow:

Amend printed copy of **SB 152,** page 2, by inserting after line 25 the following:

"SECTION 4. A NEW SECTION OF KRS CHAPTER 413 IS CREATED TO READ AS FOLLOWS:

Any provision in a written contract which decreases the period of time provided by statute in which to bring an action shall be null and void."

And on page 2, by changing "Section 4." to "Section 5."

Floor Amendment No. 1 to **SB 255,** by Representative Yates:

Amend printed copy of **SB 255,** page 7, line 13 by deleting "*notify*" and inserting in lieu thereof "*secure approval from*"; and

On page 25, line 21, by deleting "*total assets*" and inserting in lieu there of "*capital*"; and

On page 36, after line 4 by adding:

"Section 67. KRS 290.990 is amended to read as follows:

(1) Any person or organization who violates *Section 5 of this Act* [~~KRS 290.060~~] shall be fined not less than fifty dollars ($50.00) nor more than five hundred dollars ($500) or imprisoned not less than three (3) months nor more than one (1) year, or both.

(2) Any credit union that fails to make the report required by KRS 290.090, when notified, shall pay to the department ten dollars ($10.00) for each day of such failure, unless excused.

(3) Any officer or any member of a committee who *participates in the making of a loan to a non-member* [~~violates subsection (5) of KRS 290.230~~] shall be fined not less than ten dollars ($10.00) nor more than one hundred dollars ($100) or imprisoned for not less than thirty (30) days nor more than six (6) months, or both."; and

By renumbering all subsequent sections; and

On Page 36 by deleting lines 20, 21, 23, 24, 25 and 26; and

On page 37 by deleting lines 23, 24 and 25; and

On Page 38 by deleting line 5.

Floor Title Amendment to **SB 283**, by Representative Burnette:

Amend printed copy of **SB 283**, Title, to read as follows: AN ACT relating to farming.

Floor amendment No. 1 to **SB 283**, by Representative Burnette:

Amend printed copy of **SB 283** on page 20, after line 10, by inserting the following:

SECTION 21. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

As used in this Act, the term "farm property" means agricultural real estate and chattels pertaining thereto which are pledged as loan collateral, including but not limited to livestock and farm equipment.

Section 22. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

Notwithstanding the provisions of any law to the contrary, no mortgage or loan foreclosure shall take place on any farm property until the debtor has received notice of default. Any notice of default on farm property mailed to the debtor after after the effective date of this Act, shall indicate that the debtor has sixty (60) days from the date the notice is mailed in which to cure the default.

SECTION 23. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

Any mortgager, or owner in possession of the mortgaged premises, or anyone claiming under the mortgage, or anyone liable for the mortgage debt, may at any time after the issuance of the notice of the foreclosure proceedings and prior to the sale, petition the circuit court of the county where the foreclosure proceedings are pending, serving a summons and verified complaint requesting that the sale in foreclosure be postponed for up to twelve (12) months. Upon receiving the petition, the court shall order a stay in the foreclosure proceedings until after the hearing on the petition.

SECTION 24. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

The court may consider the following criteria in determining whether or not to order a delay in the sale or loan foreclosure:

(1) That the petitioner is actively engaged in farming and derives a majority of his income from farming; and

(2) That the petitioner faces a personal economic crisis due to conditions beyond his control, including but not limited to low commodity prices or crop failure due to bad weather; and

(3) That the petitioner has an inability to make payments on the mortgage or loan.

SECTION 25. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

If the parties to a foreclosure action agree in writing to a compromise settlement thereof, or of compensation of the mortgage indebtedness, or both, the court shall have jurisdiction and may by its order confirm and approve the settlement or composition, or both, as the case may be.

SECTION 26. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

(1) In deciding whether to grant relief, the court may determine the reasonable value of the income on the property or, if the property has no income, then the reasonable rental value of the property subject to the mortgage or loan, and may direct the debtor to pay all or a reasonable part of the income or rental value for the payment of taxes, insurance, interest or principal at the times and in the manner determined by the

court. In determining the amount of income or rental value to be paid, the court may consider the relative financial conditions and resources of the parties and the ability of the debtor to pay. The court shall year the petition and after the hearing shall make and file its order directing the payment by the debtor of an amount at the times and in the manner that the court determines just and equitable.

(2) If the debtor defaults in the payments ordered, the mortgagee or loan creditor may immediately commence foreclosure proceedings. If default is claimed because of waste, the mortgagee or loan creditor may commence foreclosure proceedings immediately after the filing of an order of the court finding the waste.

SECTION 27. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

Upon the application of either party before the expiration of the extended period prior to the sale or loan foreclosure, and upon the presentation of evidence that the terms for partial payment fixed by the court are no longer just and reasonable, the court may revise and alter the terms in the manner the changed circumstances and conditions require.

SECTION 28. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

The hearing on the petition shall be held within thirty (30) days after the filing of the petition. The order therein must be made and filed within five (5) days after the hearing.

SECTION 29. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

No postponement or extension shall be ordered under conditions which would substantially diminish or impair the value of the obligation of the person against whom the relief is sought or which would cause irreparable harm or undue hardship to any mortgagee, loan creditor, judgment creditor, or their successors or assigns. The remedy authorized by this Act shall be available to a debtor only one (1) time on any piece of farm property.

SECTION 30. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

Every law, to the extent that it is inconsistent with this Act, is suspended during the effective period of this Act.; and

On page 20, line 11, by renumbering "Section 21" as "Section 31"; and

On page 21, lines 11 and 12, by deleting those lines.

Floor Amendment No. 1 to **SB 308**, by Representative Foster:

Amend printed copy of **SB 308** on page 1, line 2, delete "*14*" and insert in lieu there of "*18*";

On page 1, line 3, through page 2 end of line 1 delete all language and insert in lieu thereof:

"Group health insurance policies delivered or issued for delivery or renewed in this state after the effective date of this Act shall not coordinate benefits with individual health insurance contracts. Such policies shall coordinate benefits in compliance with guidelines prescribed by the Commissioner. Any such policy delivered or issued for delivery or renewed in violation of this section shall be construed as if it complies with this section and the guidelines prescribed by the Commissioner."

On page 2, line 16 after "*Conversion,*" by adding: "*and Section 1 of this Act;*

On page 2, line 20, by deleting "," and adding in lieu thereof ".";

On page 2, line 21, by deleting "*and Section 1 of this Act.*";

On page 3, line 8 by deleting "*, and Section 1 of this Act*";

On page 3, line 9, by inserting after the ";" the following language:

"*(7) Subtitle 18. - Section 1 of this Act*";

On page 3, line 10 by deleting "*(7)*" and inserting in lieu thereof "*(8)*";

On page 3, line 11, by deleting "*(8)*" and inserting in lieu there of "*(9)*";

On page 3, line 13, by deleting "*(9)*" and inserting in lieu thereof "*(10)*";

On page 3, line 14, through page 5 line 5 by deleting Sections 4 and 5 in their entirety.

Floor Amendment No. 1 to **HB 207**, by Representative Cowan:

Amend printed copy of **HB 207** on page 1, lines 3 through 21, to delete the same and to insert in lieu thereof:

"*(1) On and after the fiscal years beginning July 1, 1985 net court revenue of cities shall be divided in the following manner in lieu of the manner provided for in KRS 24A.191 and 24A.192.*

(2) The entire amount of net court revenue monies available shall be divided between cities (as a group) and counties and urban county governments (as a group) in proportion to the amounts they were receiving as of July 1, 1984.

(3) The amount cities receive shall be divided on a per capita basis among those cities receiving net court revenue payments prior to July 1, 1984 with those cities receiving less than ten dollars ($10) per capita receiving the same amount as previously and those receiving ten dollars ($10) or more per capita receiving ten dollars ($10) per capita after July 1, 1985.";

On page 2, line 8 to delete "(b)" and to insert "*(4)*"; and

On page 2, line 15, to delete "*(c)*" and to insert in lieu thereof "*(5)*"; and

On page 2, lines 1 through 7, to delete the same; and

On page 3, line 2, to delete "they" and to insert "KRS 24A.191 and KRS 24A.192"; and

On page 3, below line 2, to add:

"Section 4. Any funds remaining unexpended in the net court revenue funds at the end of each fiscal year following distribution according to the provisions of this Act shall revert to the General Fund of the Commonwealth.

Floor Title Amendment to **HB 221**, by Representative Lundergan:

Amend printed copy of Committee Substitute to **HB 221** by amending the title to read as follows: "AN ACT relating to utilities."

Floor Amendment No. 1 to **HB 221**, by Representative Lundergan:

Amend printed copy of Committee Substitute to **HB 221** on page 3, following line 5, by inserting the following lauguage:

SECTION 2. A NEW SECTION OF KRS CHAPTER 15 IS CREATED TO READ AS FOLLOWS:

There is established in the office of the attorney general a division of consumer utility intervention. The division shall be directed by an assistant attorney general who shall carry out the duties and functions enumerated in Section 3 of this Act under the supervision of the attorney general and carry out such other duties as the attorney general may assign. The attorney general shall appoint such other assistant attorneys general pursuant to the provisions of KRS 15.100 and such additional accounting, professional or clerical *staff as may be necessary to carry out the provisions thereof.*

SECTION 3. A NEW SECTION OF KRS CHAPTER 15 IS CREATED TO READ AS FOLLOWS:

The division of consumer utility intervention shall have the following powers, duties and functions:

(1) To appear before any federal, state or local governmental branch, commission, department, rate-making or regulatory body or agency, to represent and be heard on behalf of the interests of utility consumers in general, or of residential and small business utility customer classes;

(2) To be made a real party in interest to any action on behalf of utility consumer interests or the interests of residential and small business utility consumers involving a quasi-judicial or rate-making proceeding of any state or local governmental branch, commission, department, agency, or rate-making body whenever deemed necessary or advisable in the consumer's interest by the attorney general;

(3) To have the same access to material evidence and information of the public service commission relating to any case before it as other parties to the case;

(4) To organize, promote and conduct utility consumer education programs within the Commonwealth; to cooperate with and establish necessary liaison with consumer organizations;

(5) To conduct investigations, research, studies and analyses of matters affecting utility rates, rate structures, service quality and other utility matters, and take appropriate action;

(6) To study the operation of all laws, regulations, orders, and governmental policies affecting utilities, and to recommend to the governor and the general assembly legislation, rules, regulations, orders and policies in the interest of utility consumers in general, or in the interest of residential and small business classes of consumers;

(7) To respond to consumer complaints and inquiries concering utilities, and forward them to the proper governmental agencies where appropriate;

(8) To perform such other acts as may be incidental to the exercise of the functions, powers, and duties set forth herein.

Section 4. KRS 367.160 is amended to read as follows:

All departments, agencies, officers and employes of the Commonwealth shall fully cooperate with the attorney general and the division of consumer protection in carrying out the functions of KRS 367.110 to 367.300. [~~The persons designated by the attorney general as utility consumer intervenors shall have the same access to material evidence and information of the public service commission relating to any case before it as other parties to the case.~~]"

Floor Amendment No. 2 to **HB 221**, by Representative Lundergan:

Amend printed copy of Committee Substitute to **HB 221** on page 3, following line 5, by inserting the following language:

"Section 2. KRS 278.050 is amended to read as follows:

(1) The public service commission shall consist of *five (5)* [~~three (3)~~] members appointed by the governor *and confirmed by* [~~with the advice and consent of~~] the senate. *The governor shall consult with and consider recommendations of the general assembly prior to making any appointment under this section* [~~If the senate is not in session when a term expires or a vacancy occurs, the governor shall make the appointment to take effect at once, subject to the approval of the senate when convened. Appointments to the public service commission made more than ninety (90) days prior to a regular session of the General Assembly shall be subject to confirmation by the joint interim committee on energy~~]. Each of the *five (5)* [~~three (3)~~] members of the commission shall be appointed on or before the first day of *February, 1986* [~~July, 1982~~] for staggered terms as follows: *two (2)* [~~one (1)~~] shall serve until the first day of *February, 1988* [~~July, 1983, one (1) until the first day of July, 1984~~], and *three (3)* [~~one (1)~~] until the first day of *February, 1990* [~~July, 1985~~], and thereafter for a term of four (4) years and until a successor is appointed and qualified. Members of the commission shall

devote their entire time to the duties of their offices.

(2) The governor shall appoint one (1) of the commissioners on the commission to act as chairman thereof and the chairman shall be the chief executive officer of the commission. The governor shall designate one (1) of the commissioners on the commission to serve as vice-chairman thereof and act for the chairman in the latter's absence.

(3) Vacancies for unexpired terms shall be filled in the same manner as original appointments, but the appointee shall hold office only to the end of the unexpired term.

Section 3. KRS 278.060 is amended to read as follows:

(1) Each commissioner shall be a resident and qualified voter of this state, not less than twenty-five (25) years of age at the time of his appointment and qualification, and shall have resided in this state for at least three (3) years prior to his appointment and qualification, and shall have resided in this state for at least three (3) years prior to his appointment and qualification. Each commissioner shall take and subscribe to the constitutional oath of office, which shall be recorded in the office of the secretary of state.

(2) No person shall be appointed to or hold the office of commissioner who holds any official relationship to any utility, or who owns any stocks or bonds thereof, or who has any pecuniary interest therein.

(3) No commissioner shall receive any rebate, pass, percentage of contract or other thing of value from any utility.

(4) In addition to the restrictions on members of the commission set forth in KRS 278.050(1), no commissioner shall engage in any occupation or business inconsistent with his duties as such commissioner.

(5) If any commissioner becomes a member of any political party committee, his office as commissioner shall be thereby vacated.

(6) *One (1) commissioner shall be appointed to represent consumer interests and positions rather than any specific professional expertise; one (1) commissioner shall have demonstrable experience and expertise in issues concerning small businesses in the Commonwealth; one (1) commissioner shall be an attorney admitted to the practice of law in Kentucky; one (1) commissioner shall have an advanced degree in economics or commensurate experience in that field; and one (1) commissioner shall have a degree and at least three (3) years' experience in engineering, finance, physical or natural science, management, or accounting* [~~In making appointments to the commission, the governor shall consider the various kinds of expertise relevant to utility regulation and the varied interests to be protected by the commission, including those of consumers as well as utility investors, and no more than two (2) members shall be of the same occupation or profession~~].

Section 4. Sections 2 and 3 of this Act shall become effective on January 1, 1986."

Floor Amendment No. 1 to **HB 429**, by Representative Gray:

Amend printed copy of **HB 429** on page 1, delete the new, underlined language on lines 11, 12 and 15, and on line 16, after the period and before the word "*The*" insert the following new sentence: "*In addition to imposing the transient room tax on motor courts, motels, hotels and inns, the local governing body or bodies may impose such tax upon recreational vehicle space as defined in KRS 219.320(10), whether occupied by a recreational vehicle or by a tent.*"

Floor Amendment No. 2 to **HB 429**, by Representative Gray:

Amend printed copy of **HB 429** on page 1, delete the new, underlined language on lines 11, 12 and 15, and on line 16, after the period and before the word "*The*" insert the following new sentence: "*In addition to imposing the transient room tax on motor courts, motels, hotels and inns, the local governing body or bodies may impose such tax upon rental house boats offered to the general public for rental purposes.*"

Floor Amendment No. 1 to **HB 438**, by Representative Donnermeyer:

Amend printed copy of House Committee Substitute for **HB 438** on page 1, by deleting lines 1 through

20 in their entirety;

On page 2, by deleting lines 1 through 26 in their entirety;

On page 3, by deleting lines 1 through 16 in their entirety;

On page 3, line 17, after "Section" by deleting "*(3)*" and inserting in lieu thereof "1";

On page 4, line 17, after "*Section*" by deleting "*5*" and inserting lin lieu there of "*(3)*";

On page 5, line 11, following the word "Section" by deleting "4" and inserting in lieu thereof "2";

On page 5, line 16, following the word "*Section*" by deleting "*5*" and inserting in lieu there of "*3*";

On page 6, line 7, following the word "SECTION" as it first appears by deleting "5" and by inserting in lieu there of "3";

On page 6, line 24, after the word "*belongs*" but before the period "." by inserting the following: "*; provided that, an annual tax has not been levied upon property within such city, county or urban-county government pursuant to KRS 147.660*;

On page 10, line 6, after "SECTION" as it first appears by deleting "6" and inserting in lieu there of "4"; and

On page 10, line 14, after "*Section*" by deleting "5" and inserting in lieu there of "*3*".

Floor Title Amendment to **HB 747**, by Representative Little:

Amend printed copy of **HB 747** by amending the title to read as follows:

"AN ACT relating to community programs."

Floor Amendment No. 1 to **HB 747**, by Representative Little:

Amend printed copy of **HB 747** on page 2, line 14, by inserting the following new section:

"Section 2. KRS 45.700 is amended to read as follows:

(1) As used in KRS 45.705 to 45.720:
(a) "Contracting body" means each state board, bureau, commission, department, division, authority, university, college, officer, or other entity, except the legislature, authorized by law to contract for personal services;
(b) "Governmental emergency" means an unforeseen event or set of circumstances which creates an immediate need for services, which is necessary for maintenance of governmental operations or to prevent or minimize injury or damage;
(c) "Subcommittee" means personal service contract review subcommittee;
(d) "Personal service contract" means an agreement whereby an individual, firm, partnership or corporation is to perform certain duties, professional or otherwise for a specified period of time for a price agreed upon, which are exempted from competitive bidding pursuant to KRS 45.360. This definition does not apply to agreements with public utilities, foster care parents, medicaid providers, individuals performing homemaker services, transit authorities, agreements between a state agency and a state college or university, agreements between a state agency and an area development district, agreements between a state agency and a community action agency, agreements between a state agency and a mental health/mental retardation board, *agreements between a state agency and rural concentrated employment progrms,* agreements between a state agency and another state agency and agreements between a state agency and a political subdivision,.
(2) Compliance with the provisions of KRS 45.705 to 45.720 does not dispense with the requirements of any other law necessary to make the personal service contract valid."

Floor Amendment No. 1 to **HB 786**, by Representative Burnette:

Amend printed copy of Committee Substitute to **HB 786** on page 20, line 11 after the word "in" by inserting "*this*";

And on line 12 by deleting "(3) hereof";

And on line 20 by adding the following language:

"*The registration fees for farm vehicles shall be based upon the following schedule:*

Declared Gross Weight of Vehicle and Any Towed Unit	*Registration Fee*
6,001-10,000	*$ 24.00*
10,001-14,000	*30.00*
14,001-18,000	*50.00*
18,001-22,000	*132.00*
22,001-26,000	*160.00*
26,001-32,000	*216.00*
32,001-38,000	*300.00*
38,001-44,000	*474.00*
44,001-55,000	*544.00*
55,001-62,000	*588.00*
62,001-73,280	*750.00*
73,281-82,000	*840.00*

Floor Amendment No. 2 to **HB 786,** by Representative Burnette:

Amend printed copy of Committee Substitute to **HB 786** on page 20, line 11 after the word "in" by inserting "*this*";

And on line 12, by deleting "(3) hereof";

And on line 20 by adding the following language:

"*The registration fees for farm vehicles shall be based upon the following schedule:*

Declared Gross Weight of Vehicle and Any Towed Unit	*Registration Fee*
38,001-44,000	*474.00*
44,001-55,000	*544.00*
55,001-62,000	*588.00*
62,001-73,280	*750.00*
73,281-82,000	*840.00*

Floor Amendment No. 1 to **HB 874,** by Representative Seum:

Amend printed copy of **HB 874** on page 1, line 13, by adding the following new section:

SECTION 2. A NEW SECTION OF KRS CHAPTER 81 IS CREATED TO READ AS FOLLOWS:

(1) Any city desiring reclassification to a higher class shall submit to the county clerk of the county in which the city is located:

(a) Verified copies of the ordinance annexing or merging of contiguous areas as published in accordance with KRS Chapter 424;

(b) A certified copy of the election results if applicable;

(c) The population of the city according to the last federal census; and

(d) A copy of a resolution enacted by the legislative body of the city stating that all statutory requirements have been met and that it is the intention of the city to immediately exercise all powers granted to a city of that designated classification.

(2) Such information shall be submitted to the clerk not later than ninety (90) days prior to the next session of the General Assembly.

(3) The county clerk shall verify and forward all information to the Legislative Research Commission not later than thirty (30) days prior to the next session along with the date that said notice was received from that city.

(4) The city shall exercise all powers belonging to cities of the requested classification, except that if the General Assembly at the next session does not enact a law reclassifying the city to the desired class, the city shall revert to its original classification as of the final day of the session.

Floor Amendment No. 2 to **HB 900,** by Representative Pearman:

Amend printed copy of **HB 900** on page 5, line 10 by deleting "*$42.00*"; and

On page 5, line 10 by deleting the opening and closing brackets around [~~$32.00~~] and by deleting the strikethrough.

Floor Amendment No. 1 to **HB 932,** by Representative Harper:

Amend printed copy of **HB 932** on page 20 after line 26 by adding the following language:

"Section 8. KRS 132.487 is amended to read as follows:

(1) The department shall develop and administer a centralized ad valorem tax system for all motor vehicles as defined in KRS 186.010. This system shall be designed to allow the collection of state, county, school, and special taxing district ad valorem taxes due on each motor vehicle at the time of registration of the motor vehicle by the party charged with issuing such registration. The department shall supervise and instruct the property valuation administrators and other officials with respect to their duties in relation to this system.

(2) Except as otherwise provided by law, the tax rate levied by the state, counties, schools, cities, and special tax districts on motor vehicles shall not exceed the rate that could have been levied on motor vehicles by the district on the January 1, 1983 assessments. All counties, schools, cities, and special taxing districts proposing to levy an ad valorem tax on motor vehicles shall submit to the department on or before October 1 of the year preceding the assessment date, the tax rate to be levied against valuations as of that assessment date.

(3) The compensating tax rate and maximum possible tax rate allowable for counties, schools, cities, and special taxing districts on property other than motor vehicles for the 1984 and subsequent tax periods shall be calculated excluding all valuations of and tax revenues from motor vehicles from the base amounts used in arriving at these general rates.

(4) The transportation cabinet shall provide access to all records of motor vehicle registrations to the department and the property valuation administrators as necessary to prepare and maintain a complete tax roll of motor vehicles throughout each year.

(5) *(a)* The property valuation administrator shall, subject to the direction, instruction, and supervision of the department, have primary responsibility for assessing all motor vehicles other than those assessed under KRS Chapter 136 as part of public service companies. The department may provide standard valuation guidelines for use in valuation of motor vehicles.

(b) For older used motor vehicles whose value no longer appears in the automotive reference manual, the value for assessment purposes shall be "retail price" determined under the provisions of KRS 138.450(4)(c).

(6) The property valuation administrator shall provide to the department by December 1 of each year a recapitulation of motor vehicles to be assessed as of January 1 of the next year.

(7) Procedures for protest, appeal, and correction of erroneous assessments shall be the same for motor vehicles as for other properties subject to ad valorem taxes.

Section 9. KRS 138.450 is amended to read as follows:

As used in KRS 138.460 and 138.470, unless the context requires otherwise:

(1) "Dealer" means any person engaged in the sale of motor vehicles at retail;

(2) "Motor vehicle" means any vehicle that is propelled by other than muscular power and that is used for transportation of persons or property over the public highways of the state, except road rollers, mopeds, vehicles that travel exclusively on rails, and vehicles propelled by electric power obtained from overhead wires;

(3) "Moped" means either a motorized bicycle whose frame design may include one (1) or more horizontal crossbars supporting a fuel tank so long as it also has pedals, or a motorized bicycle with a step through type frame which may or may not have pedals rated no more than two (2) brake horsepower, a

cylinder capacity not exceeding fifty (50) cubic centimeters, an automatic transmission not requiring clutching or shifting by the operator after the drive system is engaged, and capable of a maximum speed of not more than thirty (30) miles per hour;

(4) Except as provided in subsection (5) of this section, "retail price" shall be determined as follows:

(a) For new motor vehicles "retail price" shall be 90% of the manufacturer's suggested retail price of the vehicle with all equipment and accessories, standard and optional, and transportation charges;

(b) For used motor vehicles whose values appear in the automotive reference manual prescribed by the department of revenue, "retail price" shall be the *trade-in* value given in such reference manual *for the same make vehicle*;

(c) For the older used motor vehicles whose values no longer appear in the automotive reference manual, "retail price" shall be determined as follows:

Number of Years Removed From Manual	Retail Price
1	75% of *trade-in* value of same make vehicle last appearing in manual
2	50% of *trade-in* value of same make vehicle last appearing in manual
3	25% of *trade-in* value of same make vehicle last appearing in manual
All Others	10% of *trade-in* value of same make vehicle last appearing in manual;

(d) In the case of used motor vehicles previously registered in this state, which are sold in this state, a trade-in allowance equal to the "retail price" of the vehicle taken in trade shall be deducted in computing the "retail price" of the vehicle sold.

(5) "Wrecked motor vehicle" means any motor vehicle damaged by any cause except wear and tear or rust including but not limited to damage caused by collision, fire, flood, wind or vandalism. Any other provision of subsection (4) notwithstanding, the retail price of a wrecked motor vehicle shall be the lesser of fifty percent (50%) of the retail price as determined without reference to this subsection, or such retail price minus the average of the repair estimates submitted to the county clerk. The owner of the wrecked motor vehicle shall obtain a minimum of two (2) repair estimates from disinterested persons regularly engaged in the repair of motor vehicles and submit them to the county clerk.

Section 10. KRS 132.020 is amended to read as follows:

(1) An annual ad valorem tax for state purposes of thirty-one and one-half cents (31-1/2) upon each one hundred dollars ($100) of value of all real property directed to be assessed for taxation, and one and one-half cents (1-1/2) upon each one hundred dollars ($100) of value of all privately-owned leasehold interests in industrial buildings, as defined under KRS 103.200, owned and financed by a tax-exempt governmental unit, or tax-exempt statutory authority under the provisions of KRS Chapter 103 directed to be assessed for taxation, and one and one-half cents (1-1/2) upon each one hundred dollars ($100) of value of all tobacco directed to be assessed for taxation, and twenty-five cents (25) upon each one hundred dollars ($100) of value of all money in hand, shares of stock, notes, bonds, accounts and other credits, whether secured by mortgage, pledge or otherwise, or unsecured, except as otherwise provided in subsection (2) of this section, and one and one-half cents (1-1/2) upon each one hundred dollars ($100) of value of unmanufactured agricultural products, one-tenth of one cent ($.001) upon each one hundred dollars ($100) of value of all farm implements and farm machinery owned by a person actually engaged in farming and used in his farm operations, one-tenth of one cent ($.001) upon each one hundred dollars ($100) of value of all livestock and domestic fowl, one-tenth of one cent ($.001) upon each one hundred dollars ($100) of value of all tangible personal property located in a foreign trade zone as designated under 19 U.S.C. sec. 81, fifteen cents (15) upon machinery and products in course of manufacture, of individuals or corporations actually engaged in manufacturing, and their raw material actually on hand at their plant for the purpose of manufacture, fifteen cents (15) upon commercial radio, television and telephonic equipment directly used or associated with electronic equipment which broadcasts electronic signals to an antenna, fifteen cents (15) upon property which has been certified as a pollution control facility as defined in KRS 224.850, one-tenth of one cent ($.001) upon property which has been certified as an alcohol production facility as defined in KRS 247.910, *one-tenth of one cent ($.001) upon each one hundred dollars ($100) of value of motor vehicles qualifying for permanent registration as historic motor vehicles under the provisions of KRS 186.043,* and forty-five cents (45) upon each one hundred dollars ($100) of value of all other property directed to be assessed for taxation shall be paid by the owner or person assessed except as provided in subsection (2) of this section and KRS 132.030, 132.050, 132.200, 136.270, 136.300, 136.320 and other sections providing a different tax rate for particular property.

(2) An annual ad valorem tax for state purposes of one and one-half cents (1-1/2) upon each one hundred dollars ($100) of value shall be paid upon the following classes of intangible personal properties,

when such intangible personal properties have not acquired a taxable situs without this state:

(a) Accounts receivable, notes, bonds, credits, nondomestic bank deposits, and any other intangible property rights arising out of or created in the course of regular and continuing business transactions substantially performed outside this state.

(b) Patents, trademarks, copyrights and licensing or royalty agreements, relating thereto.

(c) Shares of capital stock of any affiliated company as defined in subsection (3) of this section and notes, bonds, accounts receivable and all other intercompany intangible personal property due from such company.

(3) "Affiliated company" shall mean a parent corporation or subsidiary corporation, and any corporation principally engaged in business outside the United States in which the owner or the person assessed directly or indirectly owns or controls not less than ten percent (10%) of the outstanding voting stock.

(4) With respect to the intangible properties taxed pursuant to subsection (2) of this section, no other ad valorem tax shall be levied by the state or any county, city, school or other taxing district on such intangible properties, or directly or indirectly against the owner with respect thereto.

(5) Unmined coal and any interest therein, in whatever form held, including, but not limited to, leasehold and royalty interests shall be taxed at the rate of one-tenth of one cent ($.001) per one hundred dollars of assessed value.

(6) Thirty cents (30) of the thirty-one and one-half cents (31-1/2) state tax rate on real property and thirty cents (30) of the forty-five cents (45) state tax on tangible personalty subject to local taxation shall be considered as local school district tax levies for purposes of computing any direct payments of state or federal funds to said districts as replacement for ad valorem taxes lost on property acquired by a governmental agency. Should the equivalency ever be less than thirty cents (30), as certified by the department of education, the direct payments shall be reduced proportionately.

(7) The provisions of subsection (1) of this section notwithstanding, the state tax rate on real property shall be reduced to compensate for any increase in the aggregate assessed value of real property to the extent that such increase exceeds the preceding year's assessment by more than four percent (4%). In any year in which the aggregate assessed value of real property is less than the preceding year, the state rate shall be increased to the extent necessary to produce the approximate amount of revenue that was produced in the preceding year from real property.

(8) By July 1 each year, the department of revenue shall compute the state tax rate applicable to real property for the current year in accordance with the provisions of KRS 132.020(6) and certify the rate to the county clerks for their use in preparing the tax bills. In the event the assessments for all counties have not been certified by July 1, the department shall, when real property assessments of at least seventy-five percent (75%) of the total number of counties of the Commonwealth have been certified, make an estimate of the real property assessments of the uncertified counties and compute the state tax rate.

(9) In the event that the tax rate set by the department as provided in subsection (8) of this section produces more than a four percent (4%) increase in real property tax revenues, the rate shall be adjusted in the succeeding year so that the cumulative total of each year's property tax revenue increase shall not exceed four percent (4%) per year.

(10) An ad valorem tax for state purposes on distilled spirits shall be levied according to the following rate schedule:

Calendar Year	Rate per $100 of Assessed Value
1982	$.225
1983	$.1125
1984 and after	$.001

Section 11. KRS 132.200 is amended to read as follows:

All property subject to taxation for state purposes shall also be subject to taxation in the county, city, school or other taxing district in which it has a taxable situs, except the classes of property described in KRS 132.030 and 132.050, and the following classes of property, which shall be subject to taxation for state purposes only:

(1) Farm implements and farm machinery owned by a person actually engaged in farming and used in his farm operation;

(2) Livestock and domestic fowl;

(3) Capital stock of savings and loan associations;

(4) Machinery and products in course of manufacture, of individuals or corporations actually engaged in manufacturing, and their raw material actually on hand at their plant for the purpose of manufacture. Individuals or corporations actually engaged in the printing, publication and distribution of a newspaper or operating a job printing plant shall be deemed to be actually engaged in manufacturing;

(5) Commercial radio, television and telephonic equipment directly used or associated with electronic equipment which broadcasts electronic signals to an antenna; however, radio or television towers not essential to the production of the wave or signal broadcast shall not be included;

(6) Unmanufactured agricultural products (except that the same shall be exempt from taxation for state purposes to the extent of the value, or amount, of any unpaid nonrecourse loans thereon granted by the United States government or any agency thereof), and except that cities and counties may each impose an ad valorem tax of not exceeding one and one-half cents (1-1/2) on each $100 of the fair cash value of all unmanufactured tobacco and not exceeding four and one-half cents (4-1/2) on each $100 of the fair cash value of all other unmanufactured agricultural products, subject to taxation within their limits that are not actually on hand at the plants of manufacturing concerns for the purpose of manufacture, nor in the hands of the producer or any agent of the producer to whom the products have been conveyed or assigned for the purpose of sale;

(7) Money in hand, notes, bonds, accounts and other credits, whether secured by mortgage, pledge or otherwise, or unsecured, and shares of stock, except that nothing in this section shall forbid local taxation of franchises of corporations or of the shares of banks, trust companies or combined banks and trust companies doing business in this state, or domestic life insurance companies;

(8) All privately-owned leasehold interest in industrial buildings, as defined under KRS 103.200, owned and financed by a tax-exempt governmental unit, or tax-exempt statutory authority under the provisions of KRS Chapter 103;

(9) Property which has been certified as a pollution control facility as defined in KRS 224.850;

(10) Property which has been certified as an alcohol production facility as defined in KRS 247.910;

(11) On and after January 1, 1977, unmined coal and any interest therein, in whatever form held, including, but not limited to, leasehold and royalty interests;

(12) On and after January 1, 1977, the assessed value of unmined coal shall be included in the formula contained in KRS 132.590(2) in determining the amount of county appropriation to the office of the property valuation administrator;

(13) Tangible personal property located in a foreign trade zone as designated under 19 U.S.C. sec. 81.

(14) Motor vehicles qualifying for permanent registration as historic motor vehicles under the provisions of KRS 186.043.; and

On page 21, line 1 by renumbering "Section 8." as "Section 12."

Floor Title Amendment to **HB 987**, by Representative Barrows:

Amend printed copy of **HB 987** on page 1, Title line, by deleting the title and inserting in lieu thereof:

AN ACT relating to navigable waterways and making an appropriation therefor.

Floor Amendment No. 2 to **HB 987**, by Representative Barrows:

Amend printed copy of **HB 987** on page 5, line 3, after the "." by inserting the following:

Section 5. In the event that the U. S. Army Corps of Engineers neglects its statutory responsibility, the natural resources and environmental protection cabinet is hereby directed to commence negotiations with the U. S. Army Corps of Engineers for the reopening and operation of locks 5-14 on the Kentucky River. These negotiations shall be subject to approval of the governor and secretary of finance and administration cabinet. These negotiations shall be completed as early as possible during the 1984-85 fiscal year. For this purpose there is appropriated out of the fund established by KRS 235.330 to the natural resources and environmental protection cabinet the sum of twenty-five thousand dollars ($25,000) for the 1984-85 fiscal year.

Section 6. The natural resources and environmental protection cabinet is hereby directed to operate and perform routine maintenance on locks 5-14 on the Kentucky River as agreed to by the corps and the Commonwealth as provided in Section 1 of this Act. The operation and routine maintenance of locks 5-14 shall commence as early as possible during the 1984-85 fiscal year. For this purpose there is appropriated out of the fund established by KRS 235.330 to the natural resources and environmental protection cabinet the sum of one hundred fifty thousand dollars ($150,000) for the fiscal year 1984-85 and the sum of one hundred fifty thousand dollars ($150,000) for the fiscal year 1985-86. Any amount of the appropriation remaining at the close of the 1984-85 fiscal year shall be carried forward into the following 1985-86 fiscal year.

Floor Amendment No. 1 to **HB 1011**, by Representative B. Smith:

Amend printed copy of Committee Substitute to **HB 1011** by amending the title to read as follows: "AN ACT relating to life insurance policy loan interest rates."

Floor Amendment No. 1 to **HB 1015**, by Representative P. Clark:

Amend printed copy of **HB 1015** on page 3, line 17, by inserting after the word "*units*." the following section:

"Section 2. KRS 224.842 is amended to read as follows:

(1) No person shall establish, construct, operate, maintain, or permit the use of a waste disposal site or facility without first having obtained a permit from the cabinet to establish, construct, maintain, operate or permit the use of the waste disposal site or facility pursuant to rules and regulations promulgated by the cabinet.

(2) In counties containing cities of the first class, no permit shall be issued for a facility for the land disposal of solid waste as defined in KRS 224.005 not in existence on July 15, 1982 if such facility is located within one (1) mile of any incorporated areas.

(3) No permit shall be issued after July 15, 1984 for a facility for the land disposal of solid waste as defined in KRS 224.005 proposed to be located within ten thousand (10,000) feet of any runway of a general transport airport used or planned to be used by turbojet aircraft or five thousand (5,000) feet of any runway of a general transport airport used only by piston type aircraft."

Floor Amendment No. 2 to **SB 17**, by Representative Cowan:

Amend printed copy of **SB 17** on page 10, line 11, by inserting the following new section and renumbering Section 16 as Section 17:

SECTION 16. A NEW SECTION OF KRS CHAPTER 403 IS CREATED TO READ AS FOLLOWS:

The legislative body of any city of the first class or any county containing a city of the first class may enact ordinances to establish programs or regulate activity necessary to carry out the purposes of this Act notwithstanding any other section of this Act or the provisions of KRS Chapter 65.

Floor Amendment No. 1 to **HB 819**, by Representative Morris:

Amend printed copy of **HB 819** on page 21, after line 25, by adding the following:

Section 9. KRS 260.795 is amended to read as follows:
Every milk plant, milk receiving station or other milk processing or manufacturing plant or person, or agent, firm, company, association or corporation buying milk or cream from producers or their agents shall secure and hold a license to buy for each buying location where such milk and cream is received, *except milk plants receiving milk or cream from producers who are members of associations, cooperatives, or corporations which keep the records and conduct the tests required by KRS 260.775 through 260.845 shall not be required to secure and hold a license to buy*. Application for a license shall be made to the director, the application to be accompanied by the license fee provided for in KRS 260.815. Upon receipt of the application and fee, the director shall issue to the buyer a license to buy milk or cream provided the buyer is in compliance with the provisions of KRS 260.775 to 260.845 and the regulations relating to the sampling, weighing, testing or buying of milk or cream and the handling, storage, and transportation of producers' milk samples as may be issued by the director.

Section 10. KRS 260.780 is amended to read as follows:
It shall be unlawful for any buyer of milk or cream in this state to:
(1) Receive and buy milk or cream from producers or their agents without obtaining a license for each buying location *as provided in KRS 260.795* where such milk or cream is received;
(2) Receive milk or cream which is paid for on the basis of weight or volume without having it sampled and weighed or measured by a licensed sampler-weigher;
(3) Manipulate weights, measurements or tests, that is, to pay for milk or cream on the basis of any weight or measurement or test that is not the true and legal weight or test;
(4) Manipulate or falsify records or to use records of weights or tests as basis for payment that are not correct and legal weights, measurements or tests;
(5) Receive milk or cream purchased from producers by a milk receiving station or milk plant that

does not have a license to buy *as provided in KRS 260.795*;

(6) Use weighing, mixing, sampling, or testing equipment which is inaccurate or nonstandard;

(7) Fail to comply with such regulations for weighing, measuring, sampling and testing milk or cream as may be issued by the director;

(8) Fail to keep records of weights and tests as required by regulation or to make such records available for inspection by the director or his representative; or

(9) Receive milk which is paid for on the basis of tests without having it tested by a licensed tester.

Floor Amendment No. 1 to **SB 17**, by Representative Williams:

Amend printed copy of **SB 17**, page 10, following line 12, to add the following sections:

Section 17. KRS 533.060 is amended to read as follows:

(1) When a person has been convicted of an offense or has entered a plea of guilty to an offense classified as a Class A, B, or C felony and the commission of such offense involved the use of a weapon from which a shot or projectile may be discharged that is readily capable of producing death or other serious physical injury, such person shall not be eligible for probation, shock probation or conditional discharge.

(2) When a person has been convicted of a felony and is committed to a correctional facility maintained by the [~~bureau of~~] corrections *cabinet* and released on parole or has been released by the court on probation, shock probation, or conditional discharge, and is convicted or enters a plea of guilty to a felony committed while on parole, probation, shock probation, or conditional discharge, such person shall not be eligible for probation, shock probation, or conditional discharge and the period of confinement for that felony shall not run concurrently with any other sentence.

(3) When a person commits an offense while awaiting trial for another offense, and is subsequently convicted or enters a plea of guilty to the offense committed while awaiting trial, the sentence imposed for the offense committed while awaiting trial shall not run concurrently with confinement for the offense for which said person is awaiting trial.

(4) When a person has been convicted of or has entered a plea of guilty to an offense classified as a felon, and a victim of the offense was sixty (60) years of age or over, such person shall not be eligible for probation, shock probation, or conditional discharge.

SECTION 18. A NEW SECTION OF KRS CHAPTER 439 IS CREATED TO READ AS FOLLOWS:

When a person has been convicted of or has entered a plea of guilty to an offense classified as a felony and the victim of the offense was sixty (60) years of age or over, such person shall not be elibible for parole until he has served one-third (1/3) of the sentence imposed for the offense.

Adjournment

Representative LeMaster moved that the House adjourn until 2:00 p.m., Wednesday, March 21, 1984.

On the roll call the vote was yeas 63-Allen, Arnold, Bendl, Bennett, Blevins, Bronger, Bruce, Burch, Caldwell, L. Clark, P. Clark, Crupper, Cyrus, Donnermeyer, Dunn, Endicott, Farrow, Ford, Freibert, Fryman, Gedling, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, T. Jones, Kenton, Layman, Lefevers, Lile, Little, Long, McBee, McElroy, Meyer, Moberly, Morris, Noe, Noland, O'Brien, Pearman, Petty, Priddy, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomason, Todd, Turner, Van Horn, White, Williams, Yates. Nays 2-Maggard, Perkins.

The motion to adjourn was adopted.

WEDNESDAY, MARCH 21, 1984

FIFTY-FIRST LEGISLATIVE DAY

The House was called to order by Speaker Richardson.

Prayer by Reverend Laverne Butler, Ninth and O Baptist Church, Louisville, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present.

Representative Brinkley moved that the reading of the Journal of March 20, 1984, be dispensed with and the same approved. Agreed.

A Discharge Petition was filed on **SB 201**.

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bills and Resolutions:

Appropriations and Revenue: **SB 143.**

Banking and Insurance: **SB 384.**

Education: **SB 345, SB 403.**

State Government: **SB 404, SB 414, SB 415.**

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bill has been posted for Committee consideration:

Business Organizations and Professions: **SB 353.**

The Clerk announced **SB 334** has been withdrawn from Committee consideration by the Committee on Banking and Insurance.

Report of Committees

The Committee on Rules reported **HB 775, HB 941, HB 974, HCR 90, HB 714, HB 819, HB 880, HB 660, HB 786, HB 903, HB 901, HB 916, HB 1011, SB 26, SB 84, SB 308, SB 280, HB 522, HB 857, HB 877, HB 888, HB 991, HB 60, HB 925, SB 190,** and **HB 845** have been posted for passage in Orders of the Day, March 22, 1984.

The Committee on Rules reported the following Bills and Resolution have been recommitted:

Appropriations and Revenue: **HB 406, HB 474, HB 475, HB 948, HCR 125, SB 249.**

State Government: **SJR 23, HB 802.**

The Committee on Agriculture and Small Business reported **HB 989,** with Committee Substitute attached thereto, and **HR 126** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 989, AN ACT relating to farm property and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

As used in this Act, the term "farm property" means agricultural real estate and chattels pertaining thereto which are pledged as loan collateral, including but not limited to livestock and farm equipment.

SECTION 2. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

Notwithstanding the provisions of any law to the contrary, no mortgage or loan foreclosure shall take place on any farm property until the debtor has received notice of default. Any notice of default on farm property mailed to the debtor after the effective date of this Act, shall indicate that the debtor has sixty (60) days from the date the notice is mailed in which to cure the default.

SECTION 3. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

Any mortgagor, or owner in possession of the mortgaged premises, or anyone claiming under the mortgage, or anyone liable for the mortgage debt, may at any time after the issuance of the notice of the foreclosure proceedings and prior to the sale, petition the circuit court of the county where the foreclosure proceedings are pending, serving a summons and verified complaint requesting that the sale in foreclosure be postponed for up to twelve (12) months. Upon receiving the petition, the court shall order a stay in the foreclosure proceedings until after the hearing on the petition.

SECTION 4. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

The court may consider the following criteria in determining whether or not to order a delay in the sale or loan foreclosure:

(1) That the petitioner is actively engaged in farming and derives a majority of his income from farming; and

(2) That the petitioner faces a personal economic crisis due to conditions beyond his control, including but not limited to low commodity prices or crop failure due to bad weather; and

(3) That the petitioner has an inability to make payments on the mortgage or loan.

SECTION 5. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

If the parties to a foreclosure action agree in writing to a compromise settlement thereof, or of compensation of the mortgage indebtedness, or both, the court shall have jurisdiction and may by its order confirm and approve the settlement or composition, or both, as the case may be.

SECTION 6. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

(1) In deciding whether to grant relief, the court may determine the reasonable value of the income on the property or, if the property has no income, then the reasonable rental value of the property subject to the mortgage or loan, and may direct the debtor to pay all or a reasonable part of the income or rental value for the payment of taxes, insurance, interest or principal at the times and in the manner determined by the court. In determining the amount of income or rental value to be paid, the court may consider the relative financial conditions and resources of the parties and the ability of the debtor to pay. The court shall hear the petition and after the hearing shall make and file its order directing the payment by the debtor of an amount at the times and in the manner that the court determines just and equitable.

(2) If the debtor defaults in the payments ordered, the mortgagee or loan creditor may immediately commence foreclosure proceedings. If default is claimed because of waste, the mortgagee or loan creditor may commence foreclosure proceedings immediately after the filing of an order of the court finding the waste.

SECTION 7. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

Upon the application of either party before the expiration of the extended period prior to the sale or loan foreclosure, and upon the presentation of evidence that the terms for partial payment fixed by the court are no longer just and reasonable, the court may revise and alter the terms in the manner the changed circumstances and conditions require.

SECTION 8. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

The hearing on the petition shall be held within thirty (30) days after the filing of the petition. The order therein must be made and filed within five (5) days after the hearing.

SECTION 9. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

No postponement or extension shall be ordered under conditions which would substantially diminish *or impair the value of the obligation of the person against whom the relief is sought or which would cause irreparable harm or undue hardship to any mortgagee, loan creditor, judgment creditor, or their successors or assigns. The remedy authorized by this Act shall be available to a debtor only one (1) time on any piece of farm property.*

SECTION 10. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

Every law, to the extent that it is inconsistent with this Act, is suspended during the effective period of this Act.

SECTION 11. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

This Act shall be known as the "Kentucky Farm Property Security Act of 1984." The provisions of this Act shall expire on December 31, 1985.

Section 12. Whereas, there is a severe economic and financial crisis facing the farming community in the Commonwealth, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the governor.

The Committee Substitute to **HB 989** is as follows:

HB 989, AN ACT relating to farm property and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

As used in this Act, the term "farm property" means agricultural real estate and chattels pertaining thereto which are pledged as loan collateral, including but not limited to crops, livestock and farm equipment.

SECTION 2. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

Notwithstanding the provisions of any law to the contrary, no mortgage or loan foreclosure shall take place on any farm property until the debtor has received notice of default. Any notice of default on farm property mailed to the debtor after the effective date of this Act, shall indicate that the debtor has sixty (60) days from the date the notice is mailed in which to cure the default.

SECTION 3. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

(1) As to agricultural real estate, any mortgagor, or owner in possession of the mortgaged premises, or anyone claiming under the mortgage, or anyone liable for the mortgage debt, may at any time after the receipt of the notice of the foreclosure proceedings and prior to the sale, petition the circuit court of the county where the foreclosure proceedings are pending, serving a summons and verified complaint requesting that the foreclosure sale be postponed for up to twelve (12) months. Upon receiving the petition, the court shall order a stay in the foreclosure proceedings until after the hearing on the petition.

(2) As to other farm property pledged as collateral for loans, any debtor, owner in possession of such property, or anyone liable for the loan debt, may at any time after the receipt of the court action for the collection of the loan debt and prior to the sale or recovery of the collateral, or the granting of other relief requested by the creditor, petition the court where the collection proceedings are pending, serving a summons and verified complaint requesting that the collection be postponed for up to twelve (12) months. Upon receiving the petition, the court shall order a stay in the collection proceedings until after the hearing on the petition.

SECTION 4. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

Within thirty (30) days after the filing of the petition pursuant to Section 3 of this Act, the court shall hold a hearing to determine whether or not to order a postponement in the foreclosure sale of real property or the sale or recovery of pledged collateral of other farm property. The order therein must be made and filed within five (5) days after the hearing.

SECTION 5. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

The court may consider the following criteria in determining whether or not to order a postponement in the foreclosure sale of real property or the sale or recovery of pledged collateral of other farm property:

(1) That the petitioner is actively engaged in farming and derives a majority of his income from farming; and

(2) That the petitioner faces a personal economic crisis due to conditions beyond his control, including but not limited to reduced income due to low commodity prices, or crop failure or reductions; and

(3) That the petitioner has an inability to make payments on the mortgage or loan.

SECTION 6. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

If the parties to the action agree in writing to a compromise settlement thereof, or of compensation of the indebtedness, or both, the court shall have jurisdiction and may by its order confirm and approve the settlement.

SECTION 7. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

(1) In deciding whether to grant relief, the court may determine the reasonable value of the income on the property or, if the property has no income, then the reasonable rental value of the property subject to the mortgage or loan, and may direct the debtor to pay all or a reasonable part of the income or rental value for the payment of taxes, insurance, interest or principal at the times and in the manner determined by the court. In determining the amount of income or rental value to be paid, the court may consider the relative financial conditions and resources of the parties and the ability of the debtor to pay. The court shall hear the petition and after the hearing shall make and file its order directing the payment by the debtor of an amount at the times and in the manner that the court determines just and equitable.

(2) If the debtor defaults in the payments ordered, the mortgagee or loan creditor may immediately commence foreclosure or collection proceedings. If default is claimed because of waste, the mortgagee or loan creditor may commence foreclosure or collection proceedings immediately after the filing of an order of the court finding the waste.

SECTION 8. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

Upon the application of either party before the expiration of the extended period prior to the foreclosure sale or relief sought in collection proceedings, and upon the presentation of evidence that the terms for partial payment fixed by the court are no longer just and reasonable, the court may revise and alter the terms in the manner the changed circumstances and conditions require.

SECTION 9. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

(1) No postponement or extension shall be ordered under conditions which would substantially diminish or impair the value of the farm property or which would cause irreparable harm or undue hardship to any mortgagee, loan creditor, judgment creditor, or their successors or assigns. The remedy authorized by this Act shall be available to a debtor only one (1) time on any piece of farm property.

(2) The provisions of this Act do not apply to mortgages held by the United States or by any agency, department, bureau, or instrumentality of the United States, as security or pledge of the mortgagor, its successors or assigns, and mortgages held as security or pledge to secure payment of a public debt or to secure payment of the deposit of public funds.

SECTION 10. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

The provisions of this Act shall not apply to mortgages or loans secured by farm property made after June 30, 1984 nor to any mortgages or loans secured by farm property made before June 30, 1984 which are renewed or extended after June 30, 1984 for a period of at least one year, nor to mortgages or loans secured by farm property if a second or subsequent mortgage or security agreement is made against the property after June 30, 1984. No court shall allow any stay, postponent or extension of time that would cause any right to be lost or adversely affected by any statute of limitations. SECTION 11. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

Every law, to the extent that it is inconsistent with this Act, is suspended as to those parties who have petitioned for relief under this Act.

SECTION 12. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

This Act shall be known as the "Kentucky Farm Property Security Act of 1984." The provisions of this Act shall expire on December 31, 1985.

Section 13. Whereas, there is a severe economic and financial crisis facing the farming community in the Commonwealth, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the governor.

HR 126, A RESOLUTION requesting community college services be provided in Daviess County and a study be made of the feasibility of establishing a community college in that location.

WHEREAS, Owensboro is the largest urban area in the state without an institution of public higher education; and

WHEREAS, Owensboro is the cultural, economical and industrial center of a five county area; and

WHEREAS, in Daviess and other counties in the Owensboro area the percent of high school graduates attending college is below the average for the state; and

WHEREAS, to promote economic development in the Owensboro area a higher level of education of the citizenry must be attained; and

WHEREAS, the availability of community college services locally will contribute greatly to such educational attainment;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The Community College System of the University of Kentucky is requested to provide community college services in Daviess County in the school years 1984-1985 and 1985-1986.

Section 2. The Legislative Research Commission, the Council on Higher Education and the University of Kentucky Community College System are requested jointly to study the feasibility of establishing a community college in Daviess County.

Section 3. The results of the study shall be reported to the members of the General Assembly not later than July 31, 1985.

Section 4. Staff services to be utilized in completing the Legislative Research Commission's portion of the study are estimated to cost $5,000. These staff services shall be provided from the regular commission budget and are subject to the limitation and research responsibilities of the commission.

The Committee on Cities reported **HCR 122, SB 356** with Committee Amendment attached thereto, **SB 306, SB 317, SB 333** with Committee Amendment attached thereto, **SB 339,** and **SCR 45** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HCR 122, A CONCURRENT RESOLUTION directing the Interim Joint Committee on Cities to study the jurisdiction of law enforcement officers of cities of the sixth class.

WHEREAS, police officers in cities of the first through the fifth class have the authority to make arrests anywhere in the county in which the city is located; and

WHEREAS, for effective law enforcement it is important that police officers not be limited to the artificial boundaries of the city in making arrests for crimes committed; and

WHEREAS, many cities of the sixth class have as professional and highly trained police officers as cities of the larger classes; and

WHEREAS, police officers in cities of the sixth class, if they are to be effective as law enforcement officers, need to have county-wide jurisdiction;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Interim Joint Committee on Cities be directed to study the need for legislation permitting police officers in cities of the sixth class, having professional police departments, to have the authority to make arrests anywhere in the county in which the city is located.

Section 2. Staff services to be utilized in completing this study are estimated to cost $2,500. Such services shall be provided from the regular commission budget and are subject to the limitations and other research responsibilities of the commission.

SB 356, AN ACT relating to local government finance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 82 IS CREATED TO READ AS FOLLOWS:

(1) Any city of the first, second or third class or urban-county government may facilitate the construction and purchase of new and existing housing, cause the redevelopment of housing and related

commercial, industrial and service facilities in the city or urban-county government, and provide education and counseling services and technical assistance to residents of publicly assisted housing. The legislative body of any city of the first, second or third class or urban-county government shall have the power to carry out all governmental functions necessary to effect the purposes set forth in this section, including, but not limited to, the enactment of ordinances; the issuance of regulations; the issuance of bonds as provided by KRS 58.010 to 58.140, except that such bonds may be sold at the direction of the issuer either at public sale as provided by KRS 424.360, or by a private negotiated sale; appropriation of funds; and the making of grants-in-aid in furtherance of such purposes.

(2) The authority contained in subsection (1) of this section shall be in addition to any other authority granted to cities or urban-county governments.

Section 2. KRS 66.480 is amended to read as follows:

(1) The governing body of a municipality, county, school district (provided that its action is approved by the state board of education), or other local governmental unit or political subdivision, may invest and reinvest money subject to its control and jurisdiction in:

(a) Obligations of the United States and of its agencies and instrumentalities. Such investments may be accomplished through repurchase agreements reached with national or state banks chartered in Kentucky;

(b) Bonds or certificates of indebtedness of this state and of its agencies and instrumentalities;

(c) Any savings and loan association insured by an agency of the government of the United States up to the amount so insured;

(d) Interest-bearing deposits in national or state banks chartered in Kentucky and insured by an agency of the government of the United States up to the amount so insured, and in larger amounts providing such bank shall pledge as security obligations, as permitted by KRS 41.240(4), having a current quoted market value at least equal to any uninsured deposits. No municipality, county, school district, other unit of local government, political subdivision or county official shall make any investment which would jeopardize the tax exempt status of any outstanding obligation of such unit of local government.

(2) Sheriffs, county clerks and jailers, who for the purposes of this section shall be known as county officials, may, and at the direction of the fiscal court shall, invest and reinvest money subject to their control and jurisdiction, including tax dollars subject to the provisions of KRS 134.300, 134.320 and 160.510, in the investment instruments permitted by subsection (1) of this section, except that sheriffs in urban-county governments shall not invest tax dollars.

(3) The provisions of this section are not intended to impair the power of a county official, municipality, county, school district, or other local governmental unit or political subdivision to hold funds in deposit accounts with banking institutions as otherwise authorized by law.

(4) The governing body or county official may delegate the investment authority provided by subsection (1) of this section to the treasurer or other financial officer charged with custody of the funds of the local government, and such officer shall thereafter assume full responsibility for all investment transactions until the delegation of authority terminates or is revoked.

(5) All county officials shall report the earnings of any investments at the time of their annual reports and settlements with the fiscal courts for excess income of their offices.

(6) The state local finance officer is authorized and directed to assist county officials and local governments (except school districts) in investing funds that are temporarily in excess of operating needs by:

(a) Explaining investment opportunities to such county officials and local governments through publication and other appropriate means;

(b) Providing technical assistance in investment of idle funds to county officials and local governments that request such assistance.

(7) (a) The state local finance officer may create an investment pool for local governments (except school districts) and county officials; and counties and county officials may associate to create an investment pool; and cities may associate to create an investment pool. If counties and county officials create a pool, or if cities create a pool, each group may select a manager to administer their pool and invest the assets. Each county and each county official may, or each city may invest in a pool created pursuant to this subsection, but neither a county nor a county official nor a city shall invest more than a total of one hundred thousand dollars ($100,000) in such pool or pools. Investments shall be limited to those investment instruments permitted by subsection (1) of this section. The funds of each local government and county official shall be properly accounted for, and earnings and charges shall be assigned to each participant in a uniform manner according to the amount invested. Charges to any local government or county official shall not exceed one percent (1%) annually on the principal amount invested, and charges on investments of less than a year's duration shall be prorated. Any investment pool created pursuant to this subsection shall be audited each year by an independent certified public accountant, or by the auditor of public accounts. A copy of the audit report shall be provided to each local government or county official participating in the pool. In the case of an audit by an independent certified public accountant, a copy of the audit report shall be provided to the auditor of public accounts, and to the state local finance officer. The auditor of public accounts may review the report of the independent certified public accountant. After preliminary review, should discrepancies be found, the auditor

of public accounts may make his own investigative report or audit to verify the findings of the independent certified public accountant's report.

(b) If the state local finance officer creates an investment pool, he shall establish an account in the treasury for the pool. He shall also establish a separate trust and agency account for the purpose of covering management costs, and he shall deposit management charges in this account. The state local finance officer may issue regulations, pursuant to KRS Chapter 13, governing the operation of the investment pool, including but not limited to provisions on minimum allowable investments and investment periods, and method and timing of investments, withdrawals, payment of earnings and assignment of charges.

(c) Before investing in an investment pool created pursuant to this subsection, a local government or county official shall allow any savings and loan association or bank in the county, as described in subsection (1)(c) and (d) of this section, to bid for the deposits, but the local government or county official shall not be required to seek bids more often than once in each six (6) month period.

(8) The provisions of this section are not intended to apply to the investment and reinvestment of funds held or invested in the name or subject to the direction of a local government unit or political subdivision where such funds are the proceeds of, or revenues from, revenue bonds issued by the local governmental unit or political subdivision as industrial building revenue bonds under KRS 103.200 to 103.285, or as mortgage subsidy bonds as defined by the internal revenue code, section 103A, or to finance projects for residential rental property as defined by the internal revenue code, section 103(b)(4)(A).

Section 3. KRS 67.083 is amended to read as follows:

(1) It is the purpose of this section to provide counties as units of general purpose local government with the necessary latitude and flexibility to provide and finance various governmental services within those functional areas specified in subsection (3) of this section, while the general assembly retains full authority to prescribe and limit by statute local governmental activities when it deems such action necessary.

(2) The fiscal court of any county is hereby authorized to levy all taxes not in conflict with the constitution and statutes of this state now or hereafter enacted.

(3) The fiscal court shall have the power to carry out governmental functions necessary for the operation of the county. Except as otherwise provided by statute or the Kentucky Constitution, the fiscal court of any county may enact ordinances, issue regulations, levy taxes, issue bonds, appropriate funds and employ personnel in performance of the following public functions:

(a) Control of animals, and abatement of public nuisances;

(b) Regulation of public gatherings;

(c) Public sanitation and vector control;

(d) Provision of hospitals, ambulance service, programs for the health and welfare of the aging and juveniles, and other public health facilities and services;

(e) Provision of corrections facilities and services, and programs for the confinement, care and rehabilitation of juvenile law offenders;

(f) Provision of parks, nature preserves, swimming pools, recreation areas, libraries, museums and other recreational and cultural facilities and programs;

(g) Provision of cemeteries and memorials;

(h) Conservation, preservation and enhancement of natural resources including soils, water, air, vegetation and wildlife;

(i) Control of floods;

(j) Facilitating the construction and purchase of new and existing housing, *and any bonds issued for such purpose by any county may be sold by either public or private negotiated sale in such manner and upon such terms as the fiscal court of such county shall determine*; causing the repair or demolition of structures which present a hazard to public health, safety or morals or are otherwise inimical to the welfare of residents of the county; causing the redevelopment of housing and related commercial, industrial and service facilities in urban or rural areas; providing education and counseling services and technical assistance to present and future residents of publicly assisted housing;

(k) Planning, zoning and subdivision control according to the provisions of KRS Chapter 100;

(l) Adoption, by reference or in full, of technical codes governing new construction, renovation or maintenance of structures intended for human occupancy;

(m) Regulation of commerce for the protection and convenience of the public;

(n) Regulation of the sale of alcoholic beverages according to the provisions of KRS Chapters 241 through 244;

(o) Exclusive management of solid wastes by ordinance or contract or by both and disposition of abandoned vehicles;

(p) Provision of public buildings, including armories, necessary for the effective delivery of public services;

(q) Cooperation with other units of government and private agencies for the provision of public services, including but not limited to training, educational services and cooperative extension service programs;

(r) Provision of water and sewage and garbage disposal service but not gas or electricity; including management of onsite sewage disposal systems;

(s) Licensing or franchising of cable television;

(t) Provision of streets and roads, bridges, tunnels and related facilities, elimination of grade crossings, provision of parking facilities, enforcement of traffic and parking regulations;

(u) Provision of police and fire protection;

(v) Regulation of taxis, buses and other passenger vehicles for hire;

(w) Provision and operation of air, rail and bus terminals, port facilities, and public transportation systems;

(x) Promotion of economic development of the county, directly or in cooperation with public or private agencies, including the provision of access roads, land and buildings, and promotion of tourism and conventions;

(y) Preservation of historic structures.

(4) The county judge/executive is hereby authorized and empowered to exercise all of the executive powers pursuant to this section.

(5) A county acting under authority of this section may assume, own, possess and control assets, rights and liabilities related to the functions and services of the county.

(6) If a county is authorized to regulate an area which the state also regulates, the county government may regulate the area only by enacting ordinances which are consistent with state law or administrative regulation.

(a) If the state statute or administrative regulation prescribes a single standard of conduct, a county ordinance is consistent if it is identical to the state statute or administrative regulation.

(b) If the state statute or administrative regulation prescribes a minimal standard of conduct, a county ordinance is consistent if it establishes a standard which is the same as or more stringent than the state standard.

(c) A county government may adopt ordinances which incorporate by reference state statutes and administrative regulations in areas in which a county government is authorized to act.

(7) County ordinances which prescribe penalties for their violation shall be enforced throughout the entire area of the county unless:

(a) Otherwise provided by statute, or

(b) The legislative body of any city within the county has adopted an ordinance pertaining to the same subject matter which is the same as or more stringent than the standards that are set forth in the county ordinance. The fiscal court shall forward a copy of each ordinance which is to be enforced throughout the entire area of the county to the mayor or chairman of the board of trustees of each city in the county.

(8) The powers granted to counties by this section shall be in addition to all other powers granted to counties by other provisions of law. A permissive procedure authorized by this section shall not be deemed to be exclusive or to prohibit the exercise of other existing laws and laws which may hereafter be enacted but shall be an alternative or supplement thereto.

(9) Any agency of county government exercising authority pursuant to subsection (3)(y) of this section shall, prior to exercising such authority, obtain the voluntary written consent of the owner of the structure. Consent may be obtained only after advising the owner in writing of any advantages and disadvantages to the owner which are likely to result from the exercise of such authority.

The Committee Amendment No. 1 to **SB 356** is as follows:

Amend printed copy of **SB 356** page 7, line 3, by deleting the word "*subsidy*";

And on page 7, line 4, by inserting after the figure "*103A*" the following: "*(b)(2).*"

SB 306, AN ACT relating to municipal housing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 80.010 is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Housing" [~~project"~~] means a building or buildings containing rooms to be provided as living quarters, together with shops, stores, garages, laundries, doctors' and dentists' offices and other facilities and appurtenances deemed reasonably necessary by the housing authority to the successful and economical operation of the project. It also means any work or undertaking of a housing authority or of the federal government to:

(a) Demolish, clear or remove a building or buildings from any slum area, including the adaptation of such area to recreational, community or other public purposes;

(b) Provide decent, safe and sanitary living accommodations for persons who lack the amount of income that is necessary, as determined by the authority undertaking the project, to enable them, without financial assistance, to obtain such accommodations; such work or undertaking may include buildings, land equipment, facilities and other real or personal property for necessary, convenient or desirable appurtenances, streets, sewers, water service, parks, site preparation, gardening, administrative, community, health, recreational, welfare or other purposes;

(c) Accomplish a combination of the foregoing.

(2) "Housing authority" or "authority" means any housing authority created pursuant to this chapter.

(3) "Public body" means any city, village, county, commission, district, authority or other public body or political subdivision of the Commonwealth.

(4) "Federal government" includes the United States of America, the United States housing authority and its successor agencies, and any other agency or instrumentality of the United States of America.

(5) "Bonds" means any bonds, notes, interim certificates, debentures or other obligations.

(6) "Clerk" means the clerk of the city or the clerk of the county, as the case may be, or the officer charged with the duties customarily imposed on such clerk.

(7) "Governing body" means, in the case of a city, the city council, the commission, the board of trustees or other legislative body of the city, and in the case of a county, the fiscal court.

(8) "Mayor" means the mayor of the city or the officer thereof charged with the duties customarily imposed on the mayor or executive head of the city.

(9) "Obligee of the authority" or "obligee" shall include any bondholder, trustee or trustees for any bondholders, or lessor demising to the authority property used in connection with a housing project, or any assignee or assignees of such lessor's interest or any part thereof, and the federal government when it is a party to any contract with the authority.

(10) "Persons of low income" means persons or families who lack the amount of income which is necessary, as determined by the housing authority undertaking the housing development, to enable them, without financial assistance, to live in decent, safe and sanitary dwellings, without overcrowding.

(11) "Real property" includes all lands, including improvements and fixtures thereon, and property of any nature appurtenant thereto, or used in connection therewith, and every estate, interest and right, legal or equitable, therein, including terms for years and liens by way of judgment, mortgage or otherwise and the indebtedness secured by such liens.

(12) "Slum" means any area where dwellings predominate which, by reason of dilapidation, overcrowding, lack of ventilation, light or sanitary facilities, or any combination of these factors are detrimental to safety, health and morals.

Section 2. KRS 80.020 is amended to read as follows:

Cities of all classes may acquire, establish and operate, within their limits, low-cost housing [~~projects~~], under the provisions of this chapter, for the purpose of providing adequate and sanitary living quarters for individuals or families. They may create city housing authorities, and they and the authorities created by them shall have all powers necessary and appropriate to engage in low-cost housing and slum clearance projects.

Section 3. KRS 80.060 is amended to read as follows:

Each member of a housing authority, except an ex officio member, *may* [~~shall~~] receive compensation either as a salary or as payment for meetings attended. The compensation of members of a housing authority shall be fixed by the legislative body of the city. [~~The compensation of the chairman of a housing authority shall not exceed two thousand dollars ($2,000) in any year and that of any other member shall not exceed four hundred dollars ($400) in any year.~~] The housing authority shall fix the compensation of the secretary and treasurer, but the city legislative body may fix or limit the salary.

Section 4. KRS 80.120 is amended to read as follows:

(1) The authority shall:

(a) Prepare the proper plans and specifications for the construction of low-cost housing [~~projects~~];

(b) Select the location and determine the size, type and method of construction;

(c) Make the necessary estimates of the probable cost of construction and of the acquisition of the land and rights for the sites;

(d) Enter into the necessary contracts to build the necessary buildings; and

(e) Cause a survey and map to be made of all lands, structures, rights of way, franchises, easements or other interests in land, owned by any person, the acquisition of which may be deemed necessary for the construction of the low-cost housing [~~project~~], and cause the map and survey to be filed in its office.

(2) The members of the authority, or its agents and employes, after reasonable notice to the occupants, owners or owners' agent in charge thereof, may enter upon such lands and structures for the purpose of making surveys and maps.

(3) The authority shall not proceed to exercise or carry out any authority or power herein given it to bind the authority beyond the extent to which money has been provided under the authority of this chapter.

Section 5. KRS 80.130 is amended to read as follows:

No contract or agreement with any contractor for the construction of [~~a~~] low-cost housing [~~project~~] exceeding two thousand dollars ($2,000) shall be made without advertising for bids. The bids shall be opened publicly and an award made to the best bidder, with power in the authority to reject any or all bids.

Section 6. KRS 80.140 is amended to read as follows:

An authority may acquire by gift, devise, bequest, lease, grant or purchase, solely from the funds provided under authority of this chapter, lands, structures or interests in land necessary for the building of low-cost housing [~~projects~~], upon terms, prices or considerations considered reasonable by the authority and agreed upon between the authority and the owner. Title to all property acquired by the authority shall be taken in the corporate name of the authority.

Section 7. KRS 80.150 is amended to read as follows:

If it becomes necessary to condemn property for the purpose of constructing any low-cost housing [~~project~~], or securing rights of way leading thereto, the authority may, by resolution reciting the need, order the condemnation of any land or improvement or interest in land, that it deems necessary. Proceedings for the condemnation shall be in the circuit court of the county in which the property lies, and shall be conducted in the name of the authority. The city attorney shall conduct the proceedings, for the authority. The judgment of the court shall vest title in fee simple to the property condemned in the authority. In all other respects the form and manner of the proceedings shall be the same as that provided in the Eminent Domain Act of Kentucky. No payment or award in any condemnation proceedings, or for the cost or expense of the proceedings, shall be made except from funds provided under the authority of this chapter.

Section 8. KRS 80.160 is amended to read as follows:

All persons having buildings, structures, works, conduits, mains, pipes, tracks or other physical obstructions in, under, over or upon the public ways, that interfere with or impede the progress of [~~a~~] low-cost housing [~~project~~] when in process of construction and establishment, shall, upon reasonable notice from the authority, promptly shift or remove the obstruction, to the extent necessary, at their own cost and expense, except as otherwise provided or required by law. In cities the city legislative body may prescribe by ordinance the penalty for failing to shift or remove the obstruction.

Section 9. KRS 80.170 is amended to read as follows:

Any public ways or public works damaged or destroyed by reason of the building of low-cost housing [~~projects~~] shall be restored or repaired by the authority and placed in their original condition as nearly as practicable.

Section 10. KRS 80.180 is amended to read as follows:

The authority shall operate, manage and control low-cost housing [~~projects~~] in their entirety, fix the rate of rentals, and establish bylaws, rules and regulations for the use and operation of the projects not inconsistent with the provisions of this chapter. The legislative body of a city may prescribe by ordinance penalties for the violation of bylaws, rules and regulations of a project located within the city.

Section 11. KRS 80.190 is amended to read as follows:

The authority shall manage and operate its housing [~~projects~~] in an efficient manner so as to enable it to fix the rentals for dwelling accommodations at the lowest possible rates consistent with its providing decent, safe and sanitary dwelling accommodations, and no authority shall construct or operate any project for profit, or as a source of revenue of the city. Provided, however, That nothing contained in the housing authority law shall be construed to prohibit an authority from making payments in lieu of taxes to the city, or other public body, within the area in which any project is located in such amounts as the authority may determine to be consistent with maintaining the low-rent character of the dwelling accommodations.

Section 12. KRS 80.200 is amended to read as follows:

(1) An authority may rent or lease the dwelling accommodations in a housing project only to persons or families who lack the amount of income deemed necessary by the authority to enable them, without financial assistance, to live in decent, safe and sanitary dwellings, without overcrowding.

(2) An authority may rent or lease to a tenant dwelling accommodations consisting only of the number of rooms that it deems necessary to provide safe and sanitary accommodations to the proposed occupants without overcrowding.

(3) The dwellings in any housing *development* [~~project~~] shall be available solely for families of low income. Income limits for occupancy and rents shall be fixed by the authority after taking into consideration:

(a) The family size, composition, age, physical handicaps, and other factors which might affect the rent-paying ability of the family, and

(b) The economic factors which affect the financial and solvency of the housing *development* [~~project~~].

(4) The authority shall issue regulations establishing eligibility requirements, consistent with the purposes and objectives of this section, for admission to and continued occupancy in its *developments* [~~projects~~].

(5) Nothing contained in subsections (1), (2), (3) and (4) of this section shall limit the power of an authority to vest in an obligee of the authority the right, in the event of a default by the authority, to take possession of a housing *development* [~~project~~] or cause the appointment of a receiver thereof, free from all the restrictions imposed by this section.

Section 13. KRS 80.240 is amended to read as follows:

The rents and other revenues of a city housing authority shall be applied; first to pay the interest and principal of the bonds issued under KRS 80.230 as payments fall due; next, to pay the costs of maintaining, repairing, improving and operating its *developments* [~~projects~~]; next, to create such reserve for depreciation as the housing authority deems necessary and proper. The excess, if any, of the rents received during any annual period may be applied to the prepayment of the obligations of the housing authority or may be placed in a special fund for the purpose of paying the principal and interest of the obligations as they become due.

Section 14. KRS 80.250 is amended to read as follows:

A housing authority may contract with the federal government to manage or operate any low-cost housing [~~project~~] erected or owned by the federal government.

Section 15. KRS 80.256 is amended to read as follows:

All contracts, agreements, obligations and undertakings of housing authorities heretofore entered into relating to financing or aiding in the development, construction, maintenance or operation of any housing [~~project or projects~~] or to obtaining aid therefor from the United States housing authority and its successor agencies, including (without limiting the foregoing) loan and annual contributions contracts and leases with the United States housing authority and its successor agencies, agreements with cities, counties or other public bodies (including agreements which are pledged or authorized to be pledged for the protection of the holders of any notes or bonds issued by housing authorities or which are otherwise made a part of the contract with such holders of notes or bonds) relating to cooperation and contributions in aid of housing [~~projects~~], payments (if any) in lieu of taxes, furnishing of municipal services and facilities, and the elimination of unsafe and unsanitary dwellings, and contracts for the construction of housing [~~projects~~], together with all proceedings, acts and things heretofore undertaken, performed or done with reference thereto, are hereby validated, ratified, confirmed, approved and declared legal in all respects notwithstanding any defect or irregularity therein or any want of statutory authority.

Section 16. KRS 80.257 is amended to read as follows:

All proceedings, acts and things heretofore undertaken, performed or done in or for the authorization, issuance, execution and delivery of notes and bonds by housing authorities for the purpose of financing or aiding in the development or construction of [~~a~~] housing [~~project or projects~~] and all notes and bonds heretofore issued by housing authorities are hereby validated, ratified, confirmed, approved and declared legal in all respects, notwithstanding any defect or irregularity therein or any want of statutory authority.

Section 17. KRS 80.264 is amended to read as follows:

(1) On the day set in the resolutions of the city and contiguous county governing bodies:

(a) Any housing commission in said city and any housing commission in the contiguous county shall cease to exist as a body politic and corporate;

(b) All property, real and personal and mixed, belonging to the abolished city and contiguous county housing commissions shall vest in, belong to, and be the property of the city-county housing authority;

(c) All judgments, liens, rights of liens, and causes of action of any nature, in favor of the abolished commissions, shall remain, vest in, and inure to the benefit of the city-county housing authority;

(d) All rentals, taxes, assessments, and any other funds, charges or fees, owing to the abolished commissions shall be owed to and collected by the city-county housing authority;

(e) Any actions, suits, and proceedings pending against, or having been instituted by the abolished housing commissions shall not be abated by such abolition, but all such actions, suits and proceedings shall be continued and completed in the same manner as if abolition had not occurred, and the city-county housing authority shall be a party to all such actions, suits, and proceedings in the place and stead of the abolished housing commissions and shall pay or cause to be paid any judgments rendered against the abolished housing commissions in any such actions, suits, or proceedings, and no new process need be served in any such actions, suits or proceedings;

(f) All obligations of the abolished housing commissions, including outstanding indebtedness, shall be assumed by the city-county housing authority, and all such obligations and outstanding indebtedness shall be constituted obligations and indebtedness of the city-county housing authority; and

(g) All rules, regulations and policies of the abolished housing commissions shall continue in full force and effect until repealed or amended by the city-county housing authority.

(2) The creation of a city-county housing authority shall be subject to the same provisions and limitations of KRS *80.320* [~~80.310~~] to 80.610 as are applicable to a regional housing authority.

(3) The area of operation of a city-county housing authority shall include all of the territory within the boundaries of the city and contiguous county joining in the creation of the authority.

Section 18. KRS 80.266 is amended to read as follows:

(1) The city-county housing authority shall be composed of eight (8) members. The mayor shall

appoint four (4) members, and the county judge/executive shall appoint four (4) members. *No more than four (4) appointees on any housing authority shall be affiliated with the same political party.* Each person appointed to a city-county housing authority shall be at least twenty-five (25) years of age and a bona fide resident of the city or county for which he was appointed for at least one (1) year preceding the appointment. No officer or employee of the city or county, whether holding a paid or unpaid office, is eligible to hold an appointment on the housing authority. No more than two (2) appointees by the mayor or no more than two (2) appointees by the county judge/executive shall be affiliated with the same political party. Two (2) of the four (4) members appointed by the mayor shall be designated to serve for terms of two (2) years and two (2) for terms of four (4) years, respectively, from the date of their appointments. Two (2) of the four (4) members appointed by the county judge/executive shall be designated to serve for terms of two (2) years, and two (2) for terms of four (4) years, respectively, from the date of their appointments. Thereafter, all members of the city-county housing authority shall be appointed as aforesaid for a term of office of four (4) years, except that all vacancies shall be filled for the unexpired terms.

(2) Each member of a city-county housing authority may receive compensation either as a salary or as payment for meetings attended. Any compensation of the members of a city-county housing authority shall be fixed by the legislative body of the city and the county. The housing authority may fix the compensation of the secretary and treasurer, but the city and county legislative bodies may fix or limit the salary.

Section 19. KRS 80.270 is amended to read as follows:

It is hereby declared that there exist in Kentucky unsafe and unsanitary housing conditions and a shortage of safe and sanitary dwelling accommodations for persons of low income; that these conditions necessitate excessive and disproportionate expenditures of public funds for crime prevention and punishment, public health and safety, fire and accident protection, and other public services and facilities; and that the public interest requires the remedying of these conditions. It is further declared that the assistance provided in KRS 80.280 to 80.300 for the remedying of such conditions constitutes a public use and purpose and an essential governmental function for which public money may be spent and other aid given; that it is a proper public purpose for any public body to aid any housing authority located or operating within its boundaries or jurisdiction, as the public body derives immediate benefits and advantages from such a housing authority or *developments* [~~projects~~]; and that the provisions of KRS 80.280 to 80.300 are necessary in the public interest.

Section 20. KRS 80.290 is amended to read as follows:

(1) For the purpose of aiding and cooperating in the planning, undertaking, construction or operation of housing projects located within the area in which it is authorized to act, any public body may, upon such terms, with or without consideration, as it may determine:

(a) Dedicate, sell, convey or lease any of its interest in any property, or grant easements, licenses or any other rights or privileges therein to a housing authority or the federal government;

(b) Cause parks, playgrounds, recreational, community, educational, water, sewer or drainage facilities, or any other works which it is otherwise empowered to undertake, to be furnished adjacent to or in connection with housing projects;

(c) Furnish, dedicate, close, pave, install, grade, regrade, plan or replan public ways or other places which it is otherwise empowered to undertake;

(d) Plan or replan, zone or rezone any part of the public body; make exceptions from building regulations and ordinances; any city also may change its map;

(e) Cause services to be furnished to the housing authority of the character which the public body is otherwise empowered to furnish;

(f) Enter into agreements with respect to the exercise by such public body of its powers relating to the repair, closing or demolition of unsafe, unsanitary or unfit dwellings;

(g) Employ any funds belonging to or within the control of such public body, including funds derived from the sale or furnishing of property or facilities to a housing authority, in the purchase of the bonds or other obligations of a housing authority; and exercise all the rights of any holder of such bonds or other obligations;

(h) Do any and all things necessary or convenient to aid and cooperate in the planning, undertaking, construction or operation of housing [~~projects~~];

(i) Incur the entire expense of any public improvements made by such public body in exercising the powers granted in this section; and

(j) Enter into agreements, which may extend over any period, with a housing authority respecting action to be taken by such public body pursuant to any of the powers granted by this section.

(2) Any sale, conveyance, lease or agreement provided for in this section may be made by a public body without appraisal, public notice, advertisement or public bidding.

(3) With respect to any housing [~~project~~] which a housing authority has acquired or taken over from the federal government and which the housing authority by resolution has found and declared to have been constructed in a manner that will promote the public interest and afford necessary safety, sanitation and other protection, no public body shall require any changes to be made in the housing project or the manner of its construction or take any other action relating to the construction.

Section 21. KRS 80.320 is amended to read as follows:

(1) If the governing body of a county by resolution declares (upon findings prescribed in *this section and* KRS *80.330* [~~80.310~~] to 80.610) that there is a need for a housing authority to be created for such county to exercise therein powers and other functions prescribed for a housing authority of a county, a county housing authority shall thereupon exist for such county.

(2) If the governing body of each of two (2) or more contiguous counties by resolution declares (upon findings prescribed in *this section and* KRS *80.330* [~~80.310~~] to 80.610) that there is a need for one (1) housing authority to be created for all of such counties to exercise in such counties powers and other functions prescribed for a regional housing authority, a regional housing authority shall thereupon exist for all of such counties and exercise its powers and other functions in such counties. If there is a county housing authority created for a county, the governing body of that county shall not adopt such resolution unless first, all holders of any outstanding bonds, notes, or other evidences of indebtedness of such county housing authority consent in writing to such action and the county housing authority adopts a resolution not to thereafter initiate any project within such county.

Section 22. KRS 80.330 is amended to read as follows:

The area of operation of a housing authority created for a county shall include all of the county for which it is created and the area of operation of a regional housing authority shall include (except as otherwise provided in KRS *80.320* [~~80.310~~] to 80.610) all of the counties for which such regional housing authority is created and established. But no county or regional housing authority shall undertake any housing [~~project or projects~~] within the boundaries of a city unless a resolution has been adopted by the governing body of the city (and also by any housing authority which has been created for that city pursuant to KRS *80.320* [~~80.310~~] to 80.610 or KRS 80.010 to 80.250) declaring that there is a need for the county or regional housing authority to exercise its powers within that city.

Section 23. KRS 80.360 is amended to read as follows:

The governing body of each of the counties in the area of operation of the regional housing authority and the members of the regional housing authority shall adopt a resolution declaring that there is a need for excluding a county or counties from such area if:

(1) Each of the governing bodies of the counties to remain in the area of operation of the regional housing authority and the members of the regional housing authority find that (because of facts arising or determined subsequent to the time when such area first included the county or counties to be excluded) the regional housing authority would be a more efficient or economical administrative unit to carry out the purposes of KRS *80.320* [~~80.310~~] to 80.610 if such county or counties were excluded from such area; and

(2) The governing body of each such county or counties to be excluded and the members of the regional housing authority each also find that (because of the aforesaid changed facts) the purposes of KRS *80.320* [~~80.310~~] to 80.610 could be carried out more efficiently or economically in such county or counties if the area of operation of the regional housing authority did not include such county or counties.

Section 24. KRS 80.380 is amended to read as follows:

No governing body of a city or county shall adopt a resolution under KRS *80.320* [~~80.310~~] to 80.610 declaring that there is a need for a housing authority to be created, or to exercise its powers within such city or county, or that there is a need to include such city or county within the area of operation of a housing authority, unless such governing body shall have found substantially that:

(1) Unsanitary or unsafe inhabited dwelling accommodations exist in such city or county or that there is a shortage of safe or sanitary dwelling accommodations in such city or county available to persons of low income at rentals they can afford; and

(2) These conditions can be best remedied through the exercise of the housing authority's powers within the territorial boundaries of such city or county.

Section 25. KRS 80.390 is amended to read as follows:

In determining under KRS *80.320* [~~80.310~~] to 80.610 whether dwelling accommodations are unsafe or unsanitary, a governing body shall take into consideration the safety and sanitation of dwellings, the light and air space available to the inhabitants of such dwellings, the degree of overcrowding, the size and arrangement of the rooms and the extent to which conditions exist in such dwellings which endanger life or property by fire or other causes.

Section 26. KRS 80.410 is amended to read as follows:

In any suit, action or proceeding involving the validity or enforcement of or relating to any contract of an authority, the authority shall be conclusively deemed to have become created as a public body corporate and politic upon proof of the adoption of the resolution or resolutions of the governing body or bodies declaring the need for the authority as required in KRS *80.320* [~~80.310~~] to 80.610. Such resolution or resolutions shall be deemed sufficient if it declares that there is such need for the authority and finds in substantially the foregoing terms (no further detail being necessary) that the conditions enumerated in KRS 80.380 exist in the city or county, as the case may be. A copy of the resolution or resolutions duly certified by the clerk shall be admissible in evidence in any suit, action or proceeding.

Section 27. KRS 80.430 is amended to read as follows:

(1) The governing body of each county included in a regional housing authority shall appoint one (1) person as a member of such authority, and each such member to be first appointed by the governing body of a county may be appointed at or after the time of the adoption of the resolution declaring the need for such regional housing authority or declaring the need for the inclusion of such county in the area of operation of such regional housing authority. When the area of operation of a regional housing authority is increased to include an additional county or counties as provided above, the governing body of each such county shall thereupon appoint one (1) additional person as a member of the regional housing authority. The governing body of each county shall appoint the successor of the member appointed by it. If any county is excluded from the area of operation of a regional housing authority, the office of the member of such regional housing authority appointed by the governing body of such county shall be thereupon abolished.

(2) *No more than four (4) of the members of the authority shall be affiliated with the same political party.*

(3) If the area of operation of the regional housing authority consists at any time of an even number of counties, the members of the regional housing authority appointed by the governing bodies of such counties shall appoint one (1) additional member whose term of office shall be as herein provided for a member of a regional housing authority except that such term shall end at any earlier time that the area of operation of the regional housing authority shall be changed to consist of an odd number of counties. The members of such authority appointed by the governing bodies of such counties shall likewise appoint each person to succeed such additional member; Provided, That the term of office of such person begins during the terms of office of the members appointing him.

(4)[~~(3)~~] The members of a regional housing authority shall be appointed for terms of four (4) years except that all vacancies shall be filled by the appointing authority for the unexpired term.

Section 28. KRS 80.440 is amended to read as follows:

(1) A certificate of the appointment of any member shall be filed with the clerk (Provided, That in the case of appointment of a member of a regional housing authority by its other members, as provided in KRS 80.430, such certificate shall be signed by the members making the appointment and filed with the other records of the regional housing authority) and such certificate shall be conclusive evidence of the due and proper appointment of such member.

(2) No member shall be an officer or employe of a county for which the authority is created. A member shall hold office until his successor has been appointed and has qualified, except as otherwise provided herein.

(3) A member *may receive compensation either as salary or as payment for meetings attending. Any compensation of the members shall be fixed by the legislative body of the county* [~~shall receive no compensation for his services for the authority, in any capacity, but he shall be entitled to the necessary travel and other expenses incurred in the discharge of his duties~~].

Section 29. KRS 80.460 is amended to read as follows:

Meetings of the members of a housing authority (including any housing authority created pursuant to KRS 80.010 to 80.250) may be held anywhere within the perimeter boundaries of the area of operation or territorial jurisdiction of an authority or within any additional area where the housing authority is authorized to undertake a housing project, and any person may be appointed as a member of the housing authority who resides within boundaries or such additional area, and who is otherwise eligible for such appointment under KRS *80.320* [~~80.310~~] to 80.610 or KRS 80.010 to 80.250, as the case may be.

Section 30. KRS 80.470 is amended to read as follows:

No member or employe of an authority shall acquire any interest direct or indirect in any housing [~~project~~] or in any property included or planned to be included in any project, nor shall he have any interest direct or indirect in any contract or proposed contract for materials or services to be furnished or used in connection with any housing [~~project~~]. If any member or employe of an authority owns or controls an interest direct or indirect in any property included or planned to be included in any housing project, he immediately shall disclose the same in writing to the authority and such disclosure shall be entered upon the minutes of the authority. Failure so to disclose such interest shall constitute misconduct in office. Upon such disclosure such member or employe shall not participate in any action by the authority affecting such property.

Section 31. KRS 80.490 is amended to read as follows:

(1) If the governing body of each of two or more cities (whether or not contiguous) by resolution declares that there is a need for one (1) housing authority to be created for all of such cities to exercise in such cities the powers and other functions prescribed for a consolidated housing authority, a public body corporate and politic to be known as a "consolidated housing authority" (with such corporate name as it selects) shall thereupon exist for all of such cities and exercise its powers and other functions within its area of operation (as herein defined), including the power to undertake projects therein.

(2) The creation of a consolidated housing authority and the finding of need therefor shall be subject to the same provisions and limitations of KRS *80.320* [~~80.310~~] to 80.610 as are applicable to the creation of a regional housing authority, and all of the provisions of KRS 80.310 to 80.610 applicable to regional housing authorities and the members thereof shall be applicable to consolidated housing authorities and the members

thereof.

(3) The area of operation of a consolidated housing authority shall include all of the territory within the boundaries of each city joining in the creation of such authority, except that such area of operation may be changed to include or exclude any city or cities in the same manner and under the same provisions as provided in KRS *80.320* [~~80.310~~] to 80.610 for changing the area of operation of a regional housing authority by including or excluding a county or counties.

(4) If the area of operation of a consolidated housing authority is decreased to only one (1) city, such authority shall thereupon constitute and become a housing authority for such city, in the same manner as though such authority were thereupon created pursuant to KRS 80.010 to 80.250; and for all such purposes the term "county" shall be construed as meaning "city," the terms "county housing authority" and "regional housing authority" shall be construed as meaning "housing authority of the city" and "consolidated housing authority," respectively, and the term "governing body" as used in KRS 80.420, 80.430 and 80.440 shall be construed as meaning "mayor," unless a different meaning clearly appears from the context.

Section 32. KRS 80.500 is amended to read as follows:

An authority shall constitute a public body corporate and politic, exercising public and essential governmental functions, and having all the powers necessary or convenient to carry out and effectuate the purposes and provisions of KRS *80.320* [~~80.310~~] to 80.610, including the following powers in addition to others herein granted:

(1) To sue and be sued; to have a seal and to alter the same at pleasure; to have perpetual succession; to make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the authority; and to make and from time to time amend and repeal bylaws, rules and regulations, not inconsistent with KRS *80.320* [~~80.310~~] to 80.610, to carry into effect the powers and purposes of the authority.

(2) Within its area of operation, to prepare, carry out, acquire, lease and operate housing [~~projects~~]; to provide for the construction, reconstruction, improvement, alteration or repair of any housing project or any part thereof.

(3) To arrange or contract for the furnishing by any person or agency, public or private, of services, privileges, works, or facilities for, or in connection with, a housing *development* [~~project~~] or the occupants thereof; and (notwithstanding anything to the contrary contained in KRS *80.320* [~~80.310~~] to 80.610 or in any other provision of law) to include in any contract let in connection with a *development* [~~project~~], stipulations requiring that the contractor and any subcontractors comply with requirements as to minimum wages and maximum hours of labor, and comply with any conditions which the federal government may have attached to its financial aid of the project.

(4) To lease or rent any dwellings, houses, accommodations, lands, buildings, structures or facilities embraced in any housing project and (subject to the limitations contained in KRS *80.320* [~~80.310~~] to 80.610) to establish and revise the rents or charges therefor; to own, hold, and improve real or personal property; to purchase, lease, obtain options upon, acquire by gift, grant, bequest, devise, or otherwise any real or personal property or any interest therein; to acquire by the exercise of the power of eminent domain or condemnation any real property; to sell, lease, exchange, transfer, assign, pledge or dispose of any real or personal property or any interest therein; to insure or provide for the insurance of any real or personal property or operations of the authority against any risks or hazards.

(5) To invest any funds held in reserves or sinking funds, or any funds not required for immediate disbursement, in property or securities in which savings banks may legally invest funds subject to their control; to purchase its bonds at a price not more than the principal amount thereof and accrued interest, all bonds so purchased to be canceled.

(6) To exercise all or any part or combination of powers herein granted.

Section 33. KRS 80.510 is amended to read as follows:

County housing authorities, city-county housing authorities, and regional housing authorities are specifically empowered and authorized to borrow money, accept grants and exercise their powers to provide housing for farmers of low income. In connection with such projects, any such housing authority may enter into such leases or purchase agreements, accept such conveyances and rent or sell dwellings forming part of such projects to or for farmers of low income, as such housing authority deems necessary in order to assure the achievement of the objectives of KRS *80.320* [~~80.310~~] to 80.610. Such leases, agreements or conveyances may include such covenants as the housing authority deems appropriate regarding such dwellings and the tracts of land described in any such instrument, which covenants shall be deemed to run with the land where the housing authority deems it necessary and the parties to such instrument so stipulate. Nothing in this section shall limit any other powers of any housing authority.

Section 34. KRS 80.540 is amended to read as follows:

An authority shall have the right to acquire by condemnation any real property which it may deem necessary for its purposes under KRS *80.320* [~~80.310~~] to 80.610 after the adoption by it of a resolution declaring that the acquisition of the real property described therein is necessary for such purposes.

Proceedings for such condemnation shall be in accordance with the Eminent Domain Act of Kentucky and shall be conducted in the name of the authority by the attorney designated by the authority, and the judgment of the court shall vest title in fee simple to the property condemned in the authority.

Section 35. KRS 80.550 is amended to read as follows:

(1) An authority shall have power to issue bonds from time to time in its discretion, for any of its corporate purposes. An authority shall also have power to issue refunding bonds for the purpose of paying or retiring bonds previously issued by it.

(2) An authority may issue such types of bonds as it may determine, including (without limiting the generality of the foregoing) bonds on which the principal and interest are payable:

(a) Exclusively from the income and revenues of the housing project financed with the proceeds of such bonds;

(b) Exclusively from the income and revenues of certain designated housing *developments* [~~projects~~] whether or not they are financed in whole or in part with the proceeds of such bonds; or

(c) From its revenues generally.

(3) Any such bonds may be additionally secured by a pledge of any grant or contributions from the federal government or other source, or a pledge of any income or revenues of the authority, or a mortgage of any housing project, projects or other property of the authority.

(4) In connection with the issuance of bonds or the incurring of obligations under leases and in order to secure the payment of such bonds or obligations, a housing authority (including any housing authority created pursuant to KRS 80.010 to 80.250), in addition to its other powers, shall have power to agree to sell a project or projects, and to make and enter into such covenants and conditions and to do any and all such acts and things as may be necessary or desirable in order to secure its bonds, or, in the discretion of said authority, as will tend to make the bonds more marketable.

(5) In connection with the issuance of bonds or the incurring of other obligations, a regional housing authority may covenant as to limitations on its right to adopt resolutions relating to the increase or decrease of its area of operation.

Section 36. KRS 80.570 is amended to read as follows:

(1) Bonds of an authority shall be authorized by its resolution and may be issued in one or more series and shall bear such date or dates, mature at such time or times, bear interest at such rate or rates not exceeding six and one-half per cent (6 1/2%) per annum, be in such denomination or denominations, be in such form, either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment, at such place or places, and be subject to such terms of redemption (with or without premium) as such resolution, its trust indenture or mortgage may provide.

(2) The bonds may be sold at public or private sale at not less than par.

(3) In case any of the members or officers of the authority whose signatures appear on any bonds or coupons shall cease to be such members or officers before the delivery of such bonds, such signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if they had remained in office until such delivery. Any bonds issued pursuant to KRS *80.320* [~~80.310~~] to 80.610 shall be fully negotiable.

(4) In any action or proceeding involving the validity or enforceability of any bond of an authority or the security therefor, any such bond reciting in substance that it has been issued by the authority to aid in financing a housing project to provide dwelling accommodations for persons of low income shall be conclusively deemed to have been issued for a housing *development* [~~project~~] of such character and said project shall be conclusively deemed to have been planned, located and constructed in accordance with the purposes and provisions of KRS *80.320* [~~80.310~~] to 80.610.

Section 37. KRS 80.590 is amended to read as follows:

Any two or more authorities (including any housing authority created under KRS 80.010 to 80.250) may join or cooperate with one another in the exercise, either jointly or otherwise, of any or all of their powers for the purpose of financing (including the issuance of bonds, notes or other obligations and giving security therefor), planning, undertaking, owning, constructing, operating or contracting with respect to [~~a~~] housing [~~project or projects~~] located within the area of operation of any one or more of said authorities. For such purpose an authority may by resolution prescribe and authorize any other housing authority or authorities, so joining or cooperating with it, to act on its behalf with respect to any or all of such powers. Any authorities joining or cooperating with one another may by resolutions appoint from among the members of such authorities an executive committee with full power to act on behalf of such authorities with respect to any or all of their powers, as prescribed by resolutions of such authorities.

Section 38. KRS 80.600 is amended to read as follows:

In addition to the powers conferred upon an authority by other provisions of KRS *80.320* [~~80.310~~] to 80.610, an authority is empowered to borrow money or accept contributions, grants or other financial assistance from the federal government for or in aid of any housing [~~project~~], to take over or lease or manage any housing project or undertaking constructed or owned by the federal government, and to these ends, to comply with such conditions and enter into such mortgages, trust indentures, leases or agreements as may be necessary, convenient or desirable. It is the purpose and intent of KRS *80.320* [~~80.310~~] to 80.610 to authorize every housing authority to do any and all things necessary or desirable to secure the financial aid or cooperation of the federal government in the undertaking, construction, maintenance or operation of any housing project by such authority.

Section 39. KRS 80.610 is amended to read as follows:

In any contract or amendatory or superseding contract for a loan and annual contributions heretofore or hereafter entered into between a housing authority (including any housing authority created under KRS 80.010 to 80.250) and the federal government with respect to any housing [~~project~~] undertaken by said housing authority, any such housing authority is authorized to make such covenants (including covenants with holders of obligations of said authority issued for purposes of the housing project involved), and to confer upon the federal government such rights and remedies, as said housing authority deems necessary to assure the fulfillment of the purposes for which the housing [~~project~~] was undertaken. In any such contract, the housing authority may, notwithstanding any other provisions of law, agree to sell and convey the housing [~~project~~] (including all lands appertaining thereto) to which such contract relates to the federal government upon the occurrence of such conditions, or upon such defaults on obligations for which any of the annual contributions provided in said contract are pledged, as may be prescribed in such contract, and at a price (which may include the assumption by the federal government of the payment, when due, of the principal of and interest on outstanding obligations of the housing authority issued for purposes of the housing project involved) determined as prescribed therein and upon such other terms and conditions as are therein provided. Any such housing authority is hereby authorized to enter into such supplementary contracts, and to execute such conveyances, as may be necessary to carry out the provisions hereof. Notwithstanding any other provisions of law, any contracts or supplementary contracts or conveyances made or executed pursuant to the provisions of this section shall not be or constitute a mortgage within the meaning or for the purpose of any of the laws of this Commonwealth.

Section 40. The following KRS section is repealed:

80.310 Definitions and construction.

SB 317, AN ACT relating to planning and zoning.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 100 IS CREATED TO READ AS FOLLOWS:

All other provisions of this chapter to the contrary notwithstanding, no comprehensive plan, zoning ordinance, subdivision regulation, public improvements program, or official map regulation shall be invalidated in its entirety for failure to strictly comply with any procedural provision of this chapter or with the requirements of KRS Chapter 424 in making any publication required to be made under this chapter, unless a court finds that the failure to strictly comply with any procedural requirement results in material prejudice to the substantive rights of an adversely affected person and that such rights cannot be adequately secured by any remedy other than invalidating the comprehensive plan, zoning ordinance, subdivision regulation, public improvements program, or official map regulation in its entirety.

Section 2. KRS 100.131 is amended to read as follows:

An independent city planning unit *or members of a joint planning unit composed only of two (2) or more cities* may exercise extraterritorial jurisdiction for the purposes of subdivision regulations and, with the consent of the fiscal court, other regulations up to five (5) miles from all points upon the city's boundary, but not beyond the county boundary, nor within the boundary of any city not in such planning unit, provided, however, that where the extraterritorial jurisdiction of planning units overlap, the boundary shall be midway between them. The jurisdiction of joint *city-county* and regional planning units shall be coterminous with their political boundaries. Nothing herein, however, shall prevent any planning unit from making planning studies of areas located outside its jurisdiction.

SB 333, AN ACT relating to revenue bonds for industrial buildings.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 103.210 is amended to read as follows:

(1) In order to promote the economic development of the Commonwealth, promote reconversion to peacetime economy, to relieve conditions of unemployment, to aid in the rehabilitation of returning veterans,

to encourage the increase of industry in this state, and to aid in the retention of existing industry through the control of pollution or through conversion of energy facilities to more readily available fuels, any city or county may borrow money and issue negotiable bonds for the purpose of defraying the cost of acquiring any industrial building, either by purchase or construction, but only after an ordinance or resolution has been adopted by the legislative body of the city or the fiscal court of the county, or the governing body of Kentucky development finance authority, if requested by the legislative body of the city or the fiscal court of the county, as the case may be, specifying the proposed undertaking, the amount of bonds to be issued, and the maximum rate of interest the bonds are to bear. This section shall not be deemed to require, however, that such ordinance or resolution be adopted prior to interim financing of the project, if such interim financing was undertaken by the proposed lessee corporation upon the basis of discussions between the corporation and responsible officials of the issuer which were later formally ratified by the appropriate governing body of the issuer. The ordinance or resolution shall further provide that the industrial building is to be acquired pursuant to the provisions of KRS 103.200 to 103.285. Each such bond-authorizing ordinance or resolution shall be effective only after publication, in a newspaper authorized to publish official advertisements for the issuer, of the title to said ordinance or resolution, together with a statement signed by the clerk of the issuer setting forth the amount of the issue, the name of the lessee corporation, and the fact that the bonds are to be retired from the proceeds of either the lease payments as set forth in KRS 103.200 to 103.285 inclusive, or the loan payments or sale payments in the event the industrial building financing transaction is carried out pursuant to a loan agreement, sale agreement or other financing agreement. No publication of the complete ordinance or resolution shall be required, but said ordinance or resolution shall be entered upon the records of the issuer and shall be available for public inspection.

(2) Kentucky development finance authority, any air board established pursuant to KRS 183.132, [~~and~~] any riverport authority established as provided in KRS 65.510 to 65.650, inclusive, *and any agency or instrumentality created by any county, any city of the first, second or third class or urban-county government for the purpose of development finance* shall have and possess all power and authority granted to cities and counties by the provisions of KRS 103.200 to 103.285, excluding condemnation powers under KRS 103.245, for the financing of industrial buildings. For such purposes, the terms "city," "county" and "issuer" as used in KRS 103.200 to 103.285, inclusive, shall also mean and refer to Kentucky development finance authority, any air board established pursuant to KRS 183.132, [~~and~~] any riverport authority established as provided in KRS 65.510 to 65.650, *and any agency or instrumentality created by any county, any city of the first, second or third class or urban-county government for the purpose of development finance.* The power and authority granted to Kentucky development finance authority, any air board, [~~and~~] any riverport authority, *or any agency or instrumentality created by any county, any city of the first, second or third class or urban-county government for the purpose of development finance* shall be and constitute an additional and alternative grant of power and authority to such governmental agencies, and shall not be construed as being in derogation of any other powers vested in each of such governmental agencies.

The Committee Amendment No. 1 to **SB 333** is as follows:

Amend printed copy of **SB 333**, page 3, line 6, by deleting the word "*or*" and inserting in lieu thereof a comma ","; and on line 7, between the words "*third*" and "*class,*" by inserting the following: "*or fourth*";

And on page 3, line 19, by deleting the word "*or*" and between the words "*third*" and "*class*" by inserting the following: "*or fourth*";

And on page 3, line 24, by deleting the word "*or*" and between the words "*third*" and "*class*" by inserting the following: "*or fourth.*"

SB 339, AN ACT relating to planning and zoning.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 100.111 is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Administrative official" means any department, employe, or advisory, elected or appointed body which is authorized to administer any provision of the zoning regulation, subdivision regulations, and if delegated, any provision of any housing or building regulation or any other land use control regulation;

(2) "Agricultural use" means the use of a tract of at least five (5) contiguous acres for the production of agricultural or horticultural crops, including but not limited to livestock, livestock products, poultry, poultry products, grain, hay, pastures, soybeans, tobacco, timber, orchard fruits, vegetables, flowers or

ornamental plants, including provision for dwellings for persons and their families who are engaged in the above agricultural use on the tract, but not including residential building development for sale or lease to the public.

(3) "Board" means the board of adjustments unless the context indicates otherwise;

(4) "Citizen member" means any member of the planning commission or board of adjustments who is not an elected or appointed official or employe of the city or county;

(5) "Commission" means planning commission;

(6) "Conditional use" means a use which is essential to or would promote the public health, safety, or welfare in one or more zones, but which would impair the integrity and character of the zone in which it is located, or in adjoining zones, unless restrictions on location, size, extent, and character of performance are imposed in addition to those imposed in the zoning regulation;

(7) "Conditional use permit" means legal authorization to undertake a conditional use, issued by the administrative official pursuant to authorization by the board of adjustments, consisting of two (2) parts;

(a) A statement of the factual determination by the board of adjustments which justifies the issuance of the permit; and

(b) A statement of the specific conditions which must be met in order for the use to be permitted.

(8) [~~"Dimensional variance" means a departure from the terms of the zoning regulation pertaining to height or width of structures and size of yards and open spaces, where such departure will not be contrary to the public interest, and where, owing to conditions peculiar to the property because of its size, shape or topography, and not as a result of the actions of the applicant, the literal enforcement of the zoning regulations would result in unnecessary and undue hardship;~~

~~(9)~~]"Fiscal court" means the chief body of the county with legislative power, whether it is the fiscal court, county commissioners, or otherwise;

(9)[~~(10)~~] "Housing or building regulation" means any regulation incorporating any housing, building or safety code, including, but not limited to such codes as plumbing, electrical, elevator, boiler, fire safety, and minimum housing, or any other regulation;

(10)[~~(11)~~] "Legislative body" means the chief body of the city with legislative power, whether it is the board of aldermen, the general council, the common council, the city council, the board of commissioners, or otherwise; at times it also implies the county's fiscal court;

(11)[~~(12)~~] "Mayor" means the chief elected official of the city whether the official designation of his office is mayor, chairman of the board of trustees, or otherwise;

(12)[~~(13)~~] "Nonconforming use or structure" means an activity or a building, sign, structure or a portion thereof which lawfully existed before the adoption or amendment of the zoning regulation, but which does not conform to all of the regulations contained in the zoning regulation which pertain to the zone in which it is located;

(13)[~~(14)~~] "Planning operations" means the formulating of plans for the physical development and social and economic well-being of a planning unit, and the formulating of proposals for means of implementing the plans;

(14)[~~(15)~~] "Planning unit" means any city or county, or any combination of cities, counties, or parts of counties engaged in planning operations;

(15)[~~(16)~~] "Plat" means the map of a subdivision;

(16)[~~(17)~~] "Political subdivision" means any city or county;

(17)[~~(18)~~] "Regulation" means any enactment by the legislative body of a city or county whether it is an ordinance, resolution, or an order and shall include regulations for the subdivision of land adopted by the planning commission;

(18)[~~(19)~~] "Several" means two or more;

(19)[~~(20)~~] "Public facility" means any use of land whether publicly or privately owned for transportation, utilities, or communications, or for the benefit of the general public, including, but not limited to, libraries, streets, schools, fire or police stations, county buildings, municipal buildings, recreational centers including parks, and cemeteries;

(20)[~~(21)~~] "Street" means any vehicular way;

(21)[~~(22)~~] "Structure" means anything constructed or made, the use of which requires permanent location in or on the ground or attachment to something having a permanent location in or on the ground, including buildings and signs;

(22)[~~(23)~~] "Subdivision" means the division of a parcel of land into three (3) or more lots or parcels except in a county containing a city of the first, second or third class or in an urban county government where a subdivision means the division of a parcel of land into two or more lots or parcels; for the purpose, whether immediate or future, of sale, lease, or building development, or if a new street is involved, any division of a parcel of land; provided that a division of land for agricultural use and not involving a new street shall not be deemed a subdivision. The term includes re-subdivision and when appropriate to the context, shall relate to the process of subdivision or to the land subdivided; any division or redivision of land into parcels of less than one acre occurring within twelve (12) months following a division of the same land shall be deemed a

subdivision within the meaning of this section.

(23)[~~(24)~~] "Unit" means planning unit*; and*

(24) "Variance" means a departure from dimensional terms of the zoning regulation pertaining to the height, width, or location of structures, and the size of yards and open spaces, where such departure will not be contrary to the public interest and where such departure meets the requirements of KRS 100.241 and 100.243. No variance shall permit a use which is not a permitted use within the applicable zone.

Section 2. KRS 100.203 is amended to read as follows:

Cities and counties may exercise the power to zone through zoning regulations which shall contain:

(1) A text, which shall list the types of zones which may be used, and the regulations which may be imposed in each zone, which must be uniform throughout the zone. In addition, the text shall make provisions for the granting of [~~dimensional~~] variances, conditional use permits, and for nonconforming use of land and structures, and any other provisions which are necessary to implement the zoning regulation. The city or county may regulate:

(a) The activity on the land, including filling or excavation of land, and the removal of natural resources, and the use of watercourses, and other bodies of water, as well as land subject to flooding;

(b) The size, width, height, bulk, location of structures, buildings and signs;

(c) Minimum or maximum areas or percentages of areas, courts, yards, or other open spaces or bodies of water which are to be left unoccupied, and minimum distance requirements between buildings or other structures;

(d) Intensity of use and density of population floor area to ground area ratios, or other means;

(e) Districts of special interest to the proper development of the community, including, but not limited to, exclusive use districts, historical districts, planned business districts, planned industrial districts, renewal, rehabilitation, and conservation districts; planned neighborhood and group housing districts;

(f) Fringe areas of each district, by imposing requirements which will make it compatible with neighboring districts;

(g) The activities and structures on the land at or near major thoroughfares, their intersections, and interchanges, and transportation arteries, natural or artificial bodies of water, public buildings and public grounds, aircraft, helicopter, rocket and spacecraft facilities, places having unique interest or value, flood plain areas, and other places having a special character or use affecting or affected by their surroundings;

(2) The text may provide that the planning unit, as a condition to the granting of any zoning change, may require the submission of a development plan which, where agreed upon, shall be followed. As a further condition to the granting of a zoning change, the planning unit may require that substantial construction be initiated within a certain period of time of not less than one (1) year; Provided That such zoning change shall not revert to its original designation unless there has been a public hearing.

(3) A map, which shall show the boundaries of the area which is to be zoned, and the boundaries of each zone;

(4) Text provisions to the effect that land which is used solely for agricultural, farming, dairying, stock-raising, or similar purposes shall have no regulations imposed as to building permits, certificates of occupancy, height, yard, location or courts' requirements for agricultural buildings, including and limited to one mobile home used as a dwelling except that:

(a) Setback lines may be required for the protection of existing and proposed streets and highways, and

(b) That all buildings or structures in a designated floodway or flood plain or which tend to increase flood heights or obstruct the flow of flood waters may be fully regulated.

(5) The text may empower the planning commission to hear and finally decide applications for variances or conditional use permits when a proposed development requires a map amendment and one (1) or more variances or conditional use permits.

(6) In any regulation adopted pursuant to KRS 100.203(5):

(a) The text shall provide that the planning commission shall assume all powers and duties otherwise exercised by the board of adjustments pursuant to KRS 100.231, 100.233, 100.237, 100.241, 100.243, 100.247 and 100.251, in a circumstance provided for by KRS 100.203(5);

(b) The text shall provide that the applicant for the map amendment, at the time of the filing of the application for the map amendment, may elect to have any variances or conditional use permits for the same development to be heard and finally decided by the planning commission at the same public hearing set for the map amendment, or by the board of adjustments as otherwise provided for in this chapter;

(7) Any judicial proceeding to appeal the planning commission action authorized by KRS 100.203(5) in granting or denying any variance or conditional use permit shall be taken pursuant to KRS 100.347(3).

Section 3. KRS 100.217 is amended to read as follows:

(1) Before any zoning regulation may have legal effect within the planning unit, a board or boards of adjustments shall be appointed for the planning unit as stated in the regulation or agreement under which the unit operates. The agreement may provide for additional boards of adjustment with jurisdiction of a particular city or area within the planning unit. Provided, that the jurisdiction of the boards of adjustment so

established shall be clearly defined as to territorial limits, that all territory within the planning unit is within the jurisdiction of some board of adjustment so established and that no territory is subject to the jurisdiction of more than one (1) board of adjustment, *except as provided in KRS 100.203(5).*

(2) A board of adjustment shall consist of either three (3), five (5), or seven (7) members, all of whom must be citizen members, and not more than two (2) of whom may be citizen members of the planning commission.

(3) The mayor shall be the appointing authority for cities, and the county judge/executive shall be the appointing authority for counties, subject to the approval of their respective legislative bodies.

(4) The term of office for the board of adjustment shall be four (4) years, but the term of office of members first appointed shall be staggered so that a proportionate number serve one (1), two (2), three (3), and four (4) years respectively.

(5) Vacancies on the board of adjustment shall be filled within sixty (60) days by the appropriate appointing authority. If the authority fails to act within that time, the planning commission shall fill the vacancy. When a vacancy occurs other than through expiration of the term of office, it shall be filled for the remainder of that term.

(6) All members of boards of adjustments shall, before entering upon their duties, qualify by taking the oath of office prescribed by section 228 of the constitution of the Commonwealth of Kentucky before any judge, county judge/executive, notary public, clerk of a court, or justice of the peace within the district or county in which he resides.

(7) Reimbursement for expenses or compensation or both may be authorized for members on a board of adjustments.

(8) Any member of a board of adjustments may be removed by the appropriate appointing authority for inefficiency, neglect of duty, malfeasance, or conflict of interest. Any appointing authority who exercises the power to remove a member of the board of adjustments shall submit a written statement to the commission setting forth the reasons for removal, and the statement shall be read at the next meeting of the board of adjustments, which shall be open to the general public. The member so removed shall have the right of appeal from the removal to the circuit court of the county in which he resides.

(9) Each board of adjustments annually shall elect a chairman, vice-chairman, and secretary and any other officers it deems necessary, and any officer shall be eligible for re-election at the expiration of his term.

Section 4. KRS 100.241 is amended to read as follows:

The board shall have the power to hear and decide on applications for [~~dimensional~~] variances. *The board may impose any reasonable conditions or restrictions on any variance it decides to grant.* [~~where, by reason of the exceptional narrowness, shallowness, or unusual shape of a site on the effective date of the zoning regulation or by reason of exceptional topographic conditions, or some other extraordinary situation or condition of that site, the literal enforcement of the dimensional requirements (height or width of building or size of yards, but not population density) of the zoning regulation would deprive the applicant of reasonable capacity to make use of the land in a manner equivalent to the use permitted other landowners in the same zone. The board may impose any reasonable conditions or restrictions on any variance it decides to grant.~~]

Section 5. KRS 100.243 is amended to read as follows:

Before any variance is granted, the board must find all of the following, which shall be recorded along with any imposed conditions or restrictions in its minutes and records and issued in written form to the applicant to constitute proof of the [~~dimensional~~] variance.

(1) *The variance requested arises from special circumstances which do not generally apply to property in the general vicinity* [~~The specific conditions in detail which are unique to the applicant's land and do not exist on other land in the same zone~~].

(2) *The strict application of the provisions of the regulation would deprive the applicant of a reasonable use of the land or would create an unnecessary hardship on the applicant* [~~The manner in which the strict application of the provisions of the regulation would deprive the applicant of a reasonable use of the land in the manner equivalent to the use permitted other landowners in the same zone~~].

(3) *Such special circumstances are not the result of actions of the applicant taken subsequent to the adoption of the zoning regulation* [~~That the unique conditions and circumstances are not the result of actions of the applicant taken subsequent to the adoption of the zoning regulation~~].

(4) *Reasons that the variance will not adversely affect the public health, safety, and welfare and will not alter the essential character of the general vicinity, and will not cause a hazard or nuisance to the public* [~~Reasons that the variance will preserve, not harm the public safety and welfare, and will not alter the essential character of the neighborhood~~].

Section 6. KRS 100.251 is amended to read as follows:

A [~~dimensional~~] variance applies to the property for which it is granted, and not to the individual who applied for it. A variance [~~also~~] runs with the land and is transferable to any future owner of the land, but it cannot be transferred by the applicant to a different site.

Section 7. KRS 100.261 is amended to read as follows:

Appeals to the board may be taken by any person, or entity claiming to be injuriously affected or aggrieved by an official action, *order, requirement, interpretation, grant, refusal* or decision of any zoning enforcement officer. Such appeal shall be taken within thirty (30) days after the appellant or his agent receives notice of the action *of the official* [~~appealed from~~], by filing with said officer and with the board a notice of appeal specifying the grounds thereof, and giving notice of such appeal to any and all parties of record. Said officer shall forthwith transmit to the board all papers constituting the record upon which the action appealed from was taken and shall be treated as and be the respondent in such further proceedings. At *the public* [~~any~~] hearing *on the appeal held* by the board, any interested person may appear and enter his appearance, and all shall be given an opportunity to be heard.

Section 8. KRS 100.347 is amended to read as follows:

Any appeal from commission action may be taken in the following manner:

(1) Any person or entity claiming to be injured or aggrieved by any final action of the [~~planning commission or~~] board of adjustment may appeal from the action to the circuit court of the county in which the *affected property* [~~land~~] lies. Such appeal shall be taken within thirty (30) days after the final action of the [~~commission or~~] board. *All decisions which have not been appealed within thirty (30) days shall become final* [~~Final action shall not include commission's recommendations made to other governmental bodies~~].

(2) *Any person or entity claiming to be injured or aggrieved by any final action of the legislative body relating to a map amendment may appeal from the action to the circuit court of the county in which the affected property lies. Such appeal shall be taken within thirty (30) days after the final action of the legislative body. All decisions which have not been appealed within thirty (30) days of the action of the legislative body shall become final. The legislative body shall be a party in any such appeal filed in the circuit court.* [~~All appeals shall be taken in the appropriate circuit court within thirty (30) days after the action or decision of the planning commission or board of adjustments and all decisions which have not been appealed within thirty (30) days shall become final. After the appeal is taken the procedure shall be governed by the Rules of Civil Procedure. When an appeal has been filed, the clerk of the circuit court shall issue a summons to all parties, including the planning commission in all cases, and shall cause it to be delivered for service as in any other law action.~~]

(3) Any person or entity claiming to be injured or aggrieved by any final action of the planning commission may appeal from the action to the circuit court of the county in which the affected property lies. Such appeal shall be taken within thirty days after the final action. However, any appeal of a planning commission action granting or denying a variance or conditional use permit authorized by KRS 100.203(5) shall be taken pursuant to KRS 100.347(2). In such case, the thirty (30) day period for taking appeal begins to run at the time the legislative body grants or denies the map amendment for the same development.

Section 9. KRS 100.257 is amended to read as follows:

The board of adjustments shall have the power to hear and decide cases where it is alleged by an applicant that there is error in any order, requirement, decision, grant, or refusal made by an administrative official in the enforcement of the zoning regulation. Such appeal shall be taken within *thirty (30)* [~~sixty (60)~~] days.

SCR 45, A CONCURRENT RESOLUTION directing the formation of a special committee by the Legislative Research Commission to study local planning and zoning enabling laws and to make recommendations for legislative action.

WHEREAS, local government planning and zoning activities and functions greatly affect the health, safety and public welfare of the citizens of the Commonwealth; and

WHEREAS, during each session of the General Assembly considerable interest in local planning and zoning activities is evidenced by the number of bills introduced that relate to planning and zoning; and

WHEREAS, the Kentucky Revised Statutes relating to local planning and zoning have not been comprehensively reviewed since 1977; and

WHEREAS, the continued development and growth of communities throughout the Commonwealth can best be promoted through the maintenance of sound planning and zoning enabling laws; and

WHEREAS, it is appropriate that a comprehensive review and study of the Kentucky Revised Statutes relating to local planning and zoning functions and activities be undertaken;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That the Legislative Research Commission is directed to establish and to appoint a special committee to study the local planning and zoning laws and to make recommendations for future legislative action. The committee shall be composed of not more than fifteen members, consisting of Senators and

Representatives who are members of the Senate Cities Committee, Senate Counties and Special Districts Committee, House Cities Committee and House Counties and Special Districts Committee. A chairperson and vice-chairperson shall be appointed by the commission from the membership of the special committee.

Section 2. The staff of the Legislative Research Commission, in conjunction with the special committee, is directed to conduct during the 1984-86 interim, a study of local planning units and planning and zoning practices throughout the Commonwealth and the state statutes relating thereto, and to recommend legislation, as necessary, to improve local planning and zoning practices and operations. The special committee shall report its findings and recommendations to the Legislative Research Commission and the regular session of the 1986 General Assembly by October 1, 1985.

Section 3. Staff services to be utilized in completing this study are estimated to cost $10,000, and shall be provided from the regular commission budget, subject to the limitations and other research responsibilities of the commission.

The Committee on Cities reported **HB 588**, with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

The Committee on Natural Resources and Environment reported **SB 58**, **SB 83** with Committee Amendment attached thereto, **SB 285**, **SB 298**, **SB 300**, and **SB 330** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 58, AN ACT relating to solid waste management.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 109.011 is amended to read as follows:

The general assembly of the Commonwealth of Kentucky hereby finds, determines and declares, as follows:

(1) That an ever-increasing volume of solid waste within the Commonwealth is being generated as a result of increasing economic and commercial activity, continuing technological progress and changes in methods of manufacturing, packaging and marketing of consumer products, which results in additional solid wastes discarded by the users of such products;

(2) That the continued economic and population growth of the Commonwealth has required increased industrial and commercial expansion and has made necessary the demolition of obsolete structures, the construction of new structures, the provision of highways and other avenues of transportation and the construction and installation of public works which, together with pre-existing commercial, industrial and agricultural operations, have resulted in the generation of further volumes of solid wastes;

(3) That the handling of solid wastes has been primarily carried out through the dumping of such wastes on open soil and in landfills, which in some cases are inimical to the public health, safety and welfare;

(4) That by the enactment by the Congress of the United States of the Resource Conservation and Recovery Act of 1976 (Public Law 94-580), as amended, the collection, sanitary disposal and recovery of solid wastes has been determined to be a matter of nationwide importance, recognizing that the management of solid wastes should continue to be primarily the function of state, regional and local agencies; and that pursuant to such federal law, the Commonwealth has taken and will take certain actions in respect to the planning and implementation of solid waste plans within the guidelines of time requirements set forth in such federal law;

(5) That as a result of the conditions described in the foregoing findings, problems of solid waste collection, management and treatment and resource recovery activities in connection therewith have become a matter of state-wide concern necessitating action by the general assembly to (a) enable responsible planning and management agencies to be created to define solid waste management requirements, with all of the foregoing subject to regulation by the natural resources and environmental protection cabinet, and (b) assist those units of government primarily responsible for the management of solid waste and the acquisition, financing and operation of facilities to dispose of same to fulfill their functions in a responsible and proper manner with primary emphasis on the regionalization of such functions; and

(6) That it is the intent of the general assembly of the Commonwealth of Kentucky that the primary responsibility for adequate solid waste collection, management, treatment, disposal and resource recovery shall rest with counties, or combinations of counties and waste management districts, subject to standards set by regulations promulgated by the natural resources and environmental protection cabinet. *In those cities currently operating solid waste management systems, the city and county may assume joint responsibility of preparing a solid waste management plan. Where it is in the best public interest to do so and with the mutual agreement of both the county and city, a county may delegate responsibility for adequate collection,*

management, treatment, disposal or resource recovery to a city. Such delegation of responsibility is contingent upon the approval of a solid waste management plan by the cabinet. [~~and subject to approval by such department of the implementation of solid waste collection, treatment, disposal, and resource recovery plans, all for~~] The purpose of *delegating responsibilities shall be to effectuate* [~~effectuating~~] the safe and sanitary management, use and handling of solid waste, the protection of the health, welfare and safety of the citizens and inhabitants of the Commonwealth and for making the most efficient use of all resources for the benefit of the citizens and inhabitants of the Commonwealth.

(7) That the general assembly recognizes that the generation of solid waste is inevitable, but that much of it is unnecessary and should be discouraged; however, where solid waste does exist, it should be considered to the extent possible as a valuable resource, and be made use of wherever and whenever desirable and economically justifiable; therefore, it shall be the policy of the Commonwealth to, above all things, encourage resource conservation and preservation of our natural resources before such waste contributes in a needless fashion to the volumes of solid waste and litter produced by our society, but in dealing with existing solid waste, materials recovery from the solid waste stream is deemed to be the most environmentally sound alternative for handling waste.

(8) It is not the intent of this chapter to prohibit or discourage the participation of the private sector in any aspect of solid waste management. Moreover, it is preferable for solid waste management functions to be performed by the private sector when such is in the best interests of the public and conforms with the policies and provisions set forth in this chapter.

(9) Notwithstanding any provision of KRS Chapters 82, 83 and 94, it is the intent of the general assembly that this chapter and KRS 67.083 (3)(o) provide counties with *primary* [~~exclusive~~] authority to develop a solid waste management system for solid waste generated within the geographical boundaries of the county, consistent with the provisions of this chapter and KRS Chapter 224. It is further the intent of the general assembly that cities be authorized to finance, own, and operate solid waste management systems with the consent of the county or by contract with the county, except that in the event a county fails to submit a plan for solid waste management pursuant to KRS 224.887 [~~or fails to include in the plan provisions for solid waste management within the city,~~] cities may proceed to develop solid waste management systems consistent with regulations promulgated by the department pursuant to KRS Chapter 224. Cities that develop solid waste management facilities pursuant to this section shall have all the powers and restrictions set forth for counties in KRS 109.041, *109.056, 109.059* [~~109.180, 109.250~~], and 109.062.

(10) It is the intent of the general assembly that this chapter provide counties with three (3) alternative approaches to the development and implementation of solid waste management plans. With the approval of the department, a single county may function as a solid waste management area as provided in KRS 109.072, or counties may elect to operate as a multi-county area in which they may agree to function pursuant to the terms of a contract as provided in KRS 109.082, or a county or counties may elect to operate as a waste management district pursuant to this chapter.

(11) It is the intent of the general assembly that waste management districts and solid waste management areas, which are formed and operated under this chapter, shall comply with the standards set by regulations promulgated by the department pursuant to KRS Chapter 224.

Section 2. KRS 109.041 is amended to read as follows:

(1) In addition to all other powers enumerated in Chapter 67 and other sections of the Kentucky Revised Statutes, counties, acting by and through their fiscal courts, may plan, initiate, acquire, construct and maintain solid waste management facilities and promulgate rules and regulations with respect thereto in accordance with this chapter. It is hereby determined and declared that in the implementation, acquisition, financing and maintenance of solid waste management facilities, and in the enforcement of their use, counties will be performing state functions duly delegated to them for the public welfare. In such regard, the right of counties to condemn land necessary for the acquisition of solid waste management facilities pursuant to the Eminent Domain Act of Kentucky and to exercise the police power in respect thereto is confirmed. Any county may contract with third parties for the management by public or private means of solid waste within the county.

(2) No *sanitary landfill* [~~solid waste management facility~~] shall be acquired and constructed until the construction thereof has been approved in writing by the department. Planning for sanitary landfills shall be conducted only in accordance with the policy set forth in KRS 109.011(7).

(3) *Except as provided in KRS 109.062,* no county or waste management district shall prohibit or otherwise restrict the resource recovery of materials by:

(a) Any resource recovery operation in existence in the county or district on the effective date of the mandatory program; or

(b) Any person supplying material to resource recovery operations on the effective date of the mandatory program; or

(c) Any new resource recovery operation that reclaims the same type of materials as resource recovery operations included in paragraph (a) of this subsection; or

(d) Any new suppliers to resource recovery operations included in paragraphs (a) and (c) of this subsection; or

(e) Any resource recovery operation for glass, plastic or metal beverage containers, unless a commitment has been made by a local government or other political subdivision of the state, by ordinance or contract, to a solid waste project consistent with the provisions of this chapter, that is dependent upon the resource recovery of glass, plastic or metal beverage containers to meet its financial obligations for said project, and such commitment has been made prior to the operation of any other such resource recovery facility in the county or district; or

(f) Any other resource recovery operation within the county or district not included in paragraphs (a) through (e) of this subsection or the supply of materials to such operation unless it is established that such operation would jeopardize the ability of a local government or other political subdivision of the state to meet financial obligations incurred in the maintenance, operation, or amortization of capital acquisition costs for a solid waste management facility.

(4) Notwithstanding any other provision of the Kentucky Revised Statutes to the contrary, no county or waste management district shall regulate special wastes as defined in KRS 224.868 or solid waste from agricultural or mining operations.

(5) Any county undertaking the planning, implementation, construction, installation, acquisition and financing of a solid waste management facility pursuant to this chapter shall have the authority set forth in Chapter 58 of the Kentucky Revised Statutes concerning the financing of such solid waste management facility including the authority to promulgate, enforce and collect reasonable rates, rentals and charges for the use of such solid waste management facility.

(6) Bonds authorized to be issued by any county pursuant to the authority of this chapter for the financing of solid waste management facilities may be sold at either private or public sale as may in the sound discretion of the county be in the best interests of the county.

(7) Any county undertaking solid waste management pursuant to the provisions of this chapter may contract with any person for the provision of solid waste management services. *A county may contract with any city to provide solid waste management services or may delegate the responsibility for solid waste management within incorporated areas to a city when the city agrees to assume such responsibility.* In connection with solid waste management, any county may enter into contracts with any person for any term of years.

(8) Counties are authorized to charge a reasonable fee to haulers for the handling of their waste at a solid waste management facility approved by the department.

(9) Counties are authorized to sell or market materials and energy recovered from solid waste and to enter into long-term contracts guaranteeing supply to insure markets for the sale of recovered products.

(10) In carrying out the provisions of this chapter, counties shall be subject to standards set by regulations promulgated by the department on waste management pursuant to KRS Chapter 224.

(11) No county or waste management district shall prohibit long-term contracts by ordinance or other means.

(12) Counties are expressly authorized in addition to the powers enumerated in KRS Chapter 65 and this chapter to contract with one another in order to regionalize solid waste management to the maximum extent practicable.

Section 3. KRS 109.260 is amended to read as follows:

(1) No provision of this chapter shall preclude a city from providing solid waste management services pending implementation of the approved solid waste management plan submitted by a county or district pursuant to KRS 224.887. Any county or waste management district that includes the provision of solid waste management services to a city in its approved solid waste management plan shall provide the city with written notice at least one (1) year prior to the date it intends to provide such service to the city.

(2) A city may be delegated the responsibility for providing solid waste management services by a county where it is mutually advantageous to do so, and both the city and county agree to the delegation of authority. Upon delegation of responsibility, a city acting by and through its legislative body may plan, initiate, acquire, construct and maintain solid waste management facilities and promulgate rules and regulations with respect thereto in accordance with this chapter.

(3) Any solid waste management plan submitted by a county or district pursuant to KRS 224.887, that includes any city that has made a financial commitment for a solid waste management system, shall include provisions for insuring sufficient revenues to the city to retire the debt on said system in accordance with the financial obligations incurred by the city.

Section 4. KRS 224.887 is amended to read as follows:

(1) The cabinet shall promulgate regulations pursuant to KRS Chapter 224 for waste management districts and counties in creating solid waste management areas and for planning for the management and recovery of solid waste, consistent with the statewide plan and the provisions of KRS 109.011.

(2) Pursuant to such regulations, waste management districts and counties shall submit to the cabinet a solid waste management plan by *December 30, 1985* [~~July 1, 1983~~]. An extension not to exceed six (6) months shall be granted to waste management districts and counties that can demonstrate a good faith effort

is being made to develop a plan. Thereafter plans shall be updated once every four (4) years.

(3) *A county may delegate responsibility for preparing all or portions of the plan to one (1) or more cities within the county. Such delegation of responsibility shall be made only with the mutual agreement of the city and county* [~~Any waste management district, group of waste management districts, county or group of counties, or combination of waste management districts and counties acting in accordance with the state comprehensive plan shall apply to the cabinet for designation as a solid waste management area. The application shall include but not be limited to:~~

~~(a) The agreement or contract establishing the proposed area; and~~

~~(b) The bylaws of the proposed area; and~~

~~(c) The area plan~~].

(4) Cities operating solid waste facilities or services, or who contracted with a person to provide such services on or before the effective date of this Act, and pay a prorata share of the cost of plan development may assume joint responsibility with a county for plan development. Where joint responsibility for plan development is assumed, both the county fiscal court and city legislative body must adopt the plan before it is submitted to the cabinet for approval.

(5) A county, group of counties, waste management districts, cities or any combination of the above may apply for and be designated as a solid waste management area. The application shall include but not be limited to:

(a) An area plan;

(b) Resolution of the fiscal court approving the submitted plan and the application for designation;

(c) Resolution of those city legislative bodies in the proposed area that are currently operating waste management facilities or services and have participated in and provided financial assistance in plan development; and

(d) Any agreement or contract necessary to establish the proposed area.

(6) Upon receipt of such application, the cabinet shall either approve the creation of an area for solid waste management purposes or shall disapprove such application, and in the event of disapproval shall state in writing the reasons for such disapproval. Any changes in the application contents shall be submitted to the cabinet.

(7) Solid waste management areas shall be designated for five (5) year terms upon the submission of approved solid waste management plans. At the end of five (5) years if plans are not updated and reapproved by the cabinet, the designation of the county, counties, waste management district or cities as a solid waste management area shall terminate.

Section 5. KRS 224.888 is amended to read as follows:

Each area solid waste management plan shall be prepared in accordance with regulations to be promulgated by the cabinet and shall be required to include [~~only~~] the following:

(1) *A demographic study of the planning area of current and projected populations five (5), ten (10) and twenty (20) years in the future. A projection of the amount and source of solid waste generated for each of these time periods shall be provided;*

(2) An inventory and description of all existing solid waste management facilities and activities. The description shall include their identity, location, life expectancies, ownership, cost to the users, and level of compliance with state and federal laws;

(3) An estimate of the long-range needs for solid waste management facilities projected not less than twenty (20) years into the future;

[~~(2) An inventory and description of all existing solid waste management facilities wherein or whereby waste is managed, including an inventory of the deficiencies, if any, of such facilities in meeting current solid waste management needs;~~

~~(3) A description of the comprehensive land use plan, if any, of such county or counties composing the area describing the interrelationship of the solid waste management plan to such land use plan;~~]

(4) *Identification and assessment of current and future solid waste management problems faced by the area. List any deficiencies with existing solid waste management facilities in meeting current and future area needs, and identify opportunities for improvement* [~~A statement as to the ability of present solid waste management facilities to comply with state and federal environmental laws relating to solid waste~~];

(5) *Outline short-term, mid-term, and long-term goals and objectives of the solid waste management area. The goals and objectives shall be consistent with state policies* [~~A schedule for the acquisition of solid waste management facilities, that will include a capital construction budget and a financing plan~~];

(6) *Based on the problems, needs, goals and objectives previously identified, identify alternative approaches to solid waste management and select the optimal alternatives. Solid waste management activities and facilities to be addressed include:*

(a) Identification of those regulations and ordinances which provide for proper, safe and sanitary storage of solid waste;

(b) A description of proposed improvements to existing solid waste collection and transportation systems;

(c) Establishment of a siting procedure and development program to assure the orderly location, development and financing of new or expanded disposal facilities. The plan shall demonstrate how every resident in the planning area will within the near future have reasonable opportunity to dispose of their waste in a manner that complies with state and federal laws;

(d) Identification of planned programs for the control and cleanup of litter and open dumps;

(e) An assessment of opportunities to reduce the need for land disposal through waste reduction and resource recovery. Where resource recovery is not deemed feasible, specific factual analysis shall be provided to support the conclusion;

(f) A description of any proposed resource recovery plan or facility [~~A demographic study showing current and projected population density of each county and identifying population centers and centers of solid waste generation~~];

(7) *A five-year schedule and description of activities to be undertaken to implement the proposed plan* [~~A description of any proposed resource recovery plan or facility~~];

(8) *A description of short-term costs of the plan including capital and operational costs, and the identification of the means of financing plan implementation* [~~A schedule which establishes and justifies implementation priorities~~];

(9) *Designation of a person, public agency, committee, commission, district, or other arrangement to supervise the implementation of the solid waste management plan. A description of its responsibilities and authority shall be provided* [~~A detailed schedule and description of activities to be undertaken~~]; and

(10) *A description of proposed surveillance and enforcement procedures to assure that solid waste in the planning area is properly managed.* Identification of modifications to local laws and regulations necessary to implement the area plan.

SECTION 6. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

There is established a program to provide technical and financial assistance to counties for the purposes of encouraging and improving area-wide solid waste management plans required by KRS 224.887, and to cities, counties and waste management areas and districts for conducting resource recovery, disposal site, and relevant waste management studies. The program will be administered by the cabinet which shall prescribe procedures for applying for, and terms and conditions for receiving assistance. The cabinet shall determine priorities and allocate available funds among those applying for assistance, according to criteria established by regulations adopted by the cabinet, considering population, existing waste management practices, financial need, the type of assistance requested, projected benefits, and compatibility of the proposed study with the statewide plan and goals.

SECTION 7. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

Eligible recipients may receive financial assistance equal to a maximum of fifty percent (50%) of the cost of the planning activity. Financial assistance provided may be used to employ staff, contract with other units of government or qualified consultants, and pay administrative costs involved in plan preparation. Recipients may meet their share of planning costs by cash and contributed services. Assistance may not be used for any acquisition of land or interest in land, equipment, or waste management system operational activities.

SECTION 8. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

Financial and technical assistance will be provided to reimburse counties, cities, or waste management districts preparing area-wide solid waste management plans, preparing engineering design and geotechnical studies for disposal sites, conducting resource recovery feasibility and assessment studies, and conducting special solid waste management studies.

(1) Area-wide solid waste management plans. Applicants shall be a county, counties, solid waste management district established under KRS 109.115 or a combination of the above. Assistance may be requested in order to prepare a waste management plan as outlined by KRS 224.888. Applicants are eligible for only one (1) grant every four (4) years.

(2) Disposal site engineering and geotechnical studies. Applicants shall be a county, city, solid waste management area or waste management district preparing disposal site engineering plans or conducting geotechnical studies required by KRS 224.855. Applicants shall have an approved area-wide solid waste management plan, and any proposed disposal site must be consistent with that plan. Prior to receiving any financial assistance, the applicant shall own, or have a legal interest at any proposed site sufficient to allow completion of the detailed study and operation of a waste disposal facility.

(3) Resource recovery study. Applicants shall be a county, city, solid waste management area or district investigating the feasibility of developing a resource recovery facility or operation. Studies may include technological, engineering design, legal, economic, environmental, administrative and institutional considerations. Applicants shall have an approved area-wide solid waste management plan, and the proposed resource recovery project shall be consistent with that plan.

(4) Relevant solid waste management study. Applicants shall be a county, city, solid waste management area or district proposing to conduct: detailed studies in order to implement a solid waste collection, transportation, processing, treatment, or disposal system; a resource conservation or public education program; or analyses of ordinances needed to assure that an adequate management system is provided. Applicants shall have an approved area-wide solid waste management plan, and the proposed study must be consistent with that plan.

Section 9. KRS 224.889, Implementation of approved plan, is repealed.

SB 83, AN ACT relating to hunting.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 150 IS CREATED TO READ AS FOLLOWS:

(1) Any person, except residents sixty-five (65) years of age or older and children under sixteen (16) years of age, taking or attempting to take wild ducks or geese within the state shall, in addition to the appropriate hunting license for taking game, possess a Kentucky waterfowl stamp. Said stamp shall not be transferrable, shall be signed across the face by the bearer, and fixed adhesively to the back of the regular hunting license of the bearer, and shall be carried at all times upon the person while hunting wild ducks or geese. Such stamp shall be obtained for the sum of five dollars and twenty-five cents ($5.25) and shall be valid for the period of one (1) year. Notwithstanding KRS 64.012, the county clerk shall retain twenty-five cents (25) for administrative purposes.

(2) The fish and wildlife commission shall determine the form of the stamp and shall administer all revenues generated by the sale of the stamp. Said revenue shall be expended for waterfowl research projects for the purpose of protecting and propagating migratory waterfowl and for the development, restoration, maintenance, and preservation of wetlands within the state. The intent of this section is to expand waterfowl research and management and increase waterfowl populations in the state without detracting from other programs. The expenditures of funds generated under the provisions of this section shall be included in the annual report provided for in KRS 150.061.

SECTION 2. A NEW SECTION OF KRS CHAPTER 150 IS CREATED TO READ AS FOLLOWS:

The fish and wildlife resources commission by regulation shall enter into a contract with a nonprofit organization to commission an artist for a waterfowl painting to be used as the state waterfowl stamp. The revenue from the sale of the painting shall be given to the nonprofit organization for the development of waterfowl propagation projects which specifically provide waterfowl for the Mississippi flyway, after obtaining evidence that the projects are acceptable to the appropriate governmental agencies having jurisdiction over the project areas.

The Committee Amendment No. 1 to **SB 83** is as follows:

Amend printed copy of Senate Committee Substitute for **SB 83**, page 2, line 20, by inserting after the word "*areas.*" the following section: Section 3. This Act shall become effective on July 1, 1985.

SB 285, AN ACT relating to surface mining.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS 350.066 TO KRS 350.070 IS CREATED TO READ AS FOLLOWS:

A surety upon receipt of a copy of a notice of noncompliance for failure to maintain contemporaneous reclamation issued to its insured, may notify the insured by certified mail, return receipt requested, that surety on any area disturbed after thirty (30) days from the effective date of the surety's notice may be refused unless the violation is abated. A copy of such notice shall be sent by certified mail, return receipt requested, to the cabinet, and shall become effective upon approval by the cabinet. Within thirty (30) days of receipt of a notice of cancellation, the cabinet shall either accept a suitable substitute bond for the cancelled area or shall amend the permit to delete the unbonded acreage or shall revoke the permit for lack of a bond. Proof of the abatement shall be documented by notice to the surety from the cabinet. Nothing contained herein shall be construed to relieve the surety of its liability for areas disturbed within the thirty (30) day notice period. The *surety shall remain obligated for the full extent of the bond for reclamation of all areas disturbed prior to the cabinet's approval of the cancellation.*

SB 298, AN ACT relating to surface mining.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 350 IS CREATED TO READ AS FOLLOWS:

(1) An applicant who desires to remine property which is classified as abandoned mine land under KRS 350.560 may apply to the secretary for inclusion under the abandoned mine land enhancement program. As long as there is an amount undesignated in the abandoned mine land enhancement fund, as created by KRS 350.990, equal to fifty percent (50%) of the bond assessment on the property which is abandoned mine land, the secretary may designate that amount for the property and reduce the bond assessment on the property by an amount up to fifty percent (50%).

(2) In the event of bond forfeiture on the property, monies from the abandoned mine land enhancement fund may be used to supplement the forfeited bond toward completion of the reclamation effort.

Section 2. KRS 350.990 is amended to read as follows:

(1) Any person or operator who violates any of the provisions of this chapter or regulations adopted pursuant thereto or who fails to perform the duties imposed by these provisions, except the refusal or failure to obtain a permit or other authorization as provided herein, or who violates any determination or order promulgated pursuant to the provisions of this chapter, may be liable to a civil penalty of not more than five thousand dollars ($5,000) for said violation, and an additional civil penalty of not more than five thousand dollars ($5,000) for each day during which such violation continues, and in addition, may be enjoined from continuing such violations as hereinafter provided in this section; provided, however, that any operator or person who fails to abate a violation noted in a notice of noncompliance or an order for immediate compliance and cessation within the time period prescribed for such abatement shall be assessed a civil penalty of not less than seven hundred fifty dollars ($750) for each day during which such violation continues. A civil penalty of not more than five thousand dollars ($5,000) for each day shall be assessed against any person issued an order pursuant to KRS 350.130(4). Each day of continuing violation may be deemed a separate violation for purposes of penalty assessment. The department shall develop a method for calculating monetary penalties and shall promulgate it as a regulation. The secretary or a designated representative, upon his or her own initiative or upon written request received within fifteen (15) days after the cabinet mails its proposed penalty assessment, may waive the use of such method for calculating monetary penalties if he or she determines that, taking into account exceptional factors present in the particular case, the penalty is demonstrably unjust. The basis for every waiver shall be fully explained and documented in the records of the case. If the secretary or his or her designated representative waives the use of the formula, he or she shall determine the appropriate penalty upon consideration of the permittee's history of previous violations at the particular surface coal mining operation, the seriousness of the violation, whether the permittee was negligent, and the demonstrated good faith of the permittee charged in attempting to achieve rapid compliance after notification of the violation. Such penalties shall be recoverable in an action brought in the name of the Commonwealth of Kentucky by the cabinet's office of general counsel, or upon the secretary's request, by the attorney general. The Franklin Circuit Court shall hold concurrent jurisdiction and venue of all civil and injunctive actions instituted by the cabinet or by the attorney general on its behalf for the enforcement of the provisions of this chapter or the orders, rules, and regulations of the cabinet promulgated pursuant thereto. All sums recovered shall be placed in the state treasury, *except those monies collected in excess of eight hundred thousand dollars ($800,000) in any fiscal year shall be deposited in a trust and agency account, entitled the abandoned mine land enhancement fund, for the purposes set forth in Section 1 of this Act. The fund shall be administered by the secretary in accordance with accounting practices as established by the finance and administration cabinet.*

(2) Any person who engages in surface coal mining operations without first securing a permit, as provided in KRS 350.060, or any person who engages in coal exploration operations, exclusive of core drilling, without proper authorization, as required by the cabinet pursuant to KRS 350.057 or regulations promulgated pursuant thereto, or any person who engages in mining operations, without proper authorization as required by the cabinet pursuant to KRS 350.029 or regulations promulgated pursuant thereto, shall be liable to a civil penalty for damages to the Commonwealth of not less than five thousand dollars ($5,000) nor more than twenty-five thousand dollars ($25,000) and in addition, may be enjoined from continuing such violations as hereinafter provided. Each day shall constitute a separate violation. However, the penalties provided for in subsection (1) of this section shall apply in lieu of the penalties provided for in

this subsection where an operator through inadvertence has exceeded the boundaries or expiration date of the permit in effect at that time.

(3) It shall be the duty of the cabinet's office of general counsel or, upon the secretary's request, of the attorney general to bring an action for the recovery of the penalties herein provided for and to bring an action for a restraining order, temporary or permanent injunction, against any operator or other person violating or threatening to violate any of the provisions of this chapter or violating or threatening to violate any order or determination promulgated pursuant to the provisions of this chapter. The Franklin Circuit Court shall hold concurrent jurisdiction and venue of all civil and injunctive actions instituted by the cabinet or by the attorney general on its behalf for the enforcement of the provisions of this chapter or the orders, rules, and regulations of the cabinet promulgated pursuant thereto.

(4) Any person who shall knowingly and willfully violate any of the provisions of this chapter, except as provided in subsection (5) or any determination or order promulgated pursuant to the sections of this chapter which have become final shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than ten thousand dollars ($10,000) or by imprisonment for not more than one (1) year, or both. Each day on which such violation occurs may constitute a separate offense.

(5) Any person who, in violation of KRS 350.060, willfully and knowingly engages in surface coal mining operations without first obtaining a permit from the department or any person who willfully and knowingly engages in coal exploration operations, exclusive of core drilling, without proper authorization, as required by the cabinet pursuant to KRS 350.057 or regulations promulgated pursuant thereto, or any person who willfully and knowingly engages in mining operations without proper authorization as required by the cabinet pursuant to KRS 350.029 or regulations promulgated pursuant thereto, with the intent to violate such laws shall be guilty of a Class D felony and upon conviction thereof shall be imprisoned for at least one (1) but not more than five (5) years and may be fined an amount not to exceed ten thousand dollars ($10,000).

(6) Any person who violates any of the provisions of KRS 350.600 or regulations promulgated pursuant thereto shall be subject to civil penalties of not more than twenty-five thousand dollars ($25,000). Each day of continuing violation shall be deemed a separate violation.

(7) Any person who knowingly makes any false statement, representation or certification, or knowingly fails to make any statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained by the cabinet, shall upon conviction be guilty of a misdemeanor and shall be imprisoned for a term of up to one (1) year, or be fined not more than ten thousand dollars ($10,000), or both.

(8) Except as permitted by law, any person who shall willfully resist, prevent, impede, or interfere with the secretary or other personnel of the cabinet in the performance of duties pursuant to this chapter shall, upon conviction, be fined not more than five thousand dollars ($5,000) or imprisoned for not more than one (1) year, or both.

(9) Whenever a corporate permittee violates any provision of this chapter or regulation issued pursuant thereto or fails or refuses to comply with any final order issued by the secretary, any director, officer, or agent of such corporation who willfully and knowingly authorized, ordered, or carried out such violation, failure or refusal shall be subject to the same civil penalties, fines, and imprisonment as may be imposed upon a person pursuant to this section.

(10) Any person found in violation of KRS 350.060(11) shall be fined not more than five hundred dollars ($500) for each violation, nor less than fifty dollars ($50.00).

SB 300, AN ACT relating to surface mining.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 350.060 is amended to read as follows:

(1) No person shall engage in surface coal mining and reclamation operations without having first obtained from the cabinet a permit designating the area of land affected by the operation. Permits shall authorize the operator to engage in surface coal mining and reclamation operations upon the area of land described in his application for a period of not to exceed five (5) years; provided that if an applicant demonstrates that a specified longer term is reasonably needed to obtain necessary financing for equipment and the opening of the operation and if the application is full and complete for such specified longer term, the cabinet may grant a permit for such longer term. No mining shall be permitted beyond the time period obligations of the initial or extended bond coverage.

(2) All operators who wish to engage in surface coal mining and reclamation operations and who have a valid permit from the cabinet and who are in expectation of operating such mines after the expiration of eight (8) months from the approval by the secretary of the interior of the permanent regulatory program shall within two (2) months of the effective date of such approval apply for a new permit for such mines in

compliance with the requirements of this section. The natural resources and environmental protection cabinet shall establish procedures and programs consistent with this chapter to issue or deny such permits within eight (8) months of such approval. The general assembly finds the fact that, due to the large number of permitted operations within the Commonwealth, the eight-month period may be administratively impracticable, and hereby authorizes the secretary to devise procedures to comply with this section in the most expeditious and reasonable manner possible, and a filing shall be deemed timely for the purposes of this subsection and surface coal mining operations may continue under an existing permit if that filing is in substantially complete form and submitted within the time limits set forth herein.

(3) Any permit validly issued by the cabinet under the interim regulatory program in effect on March 21, 1980 and which would expire at any time after May 1, 1980 and before eight (8) months after approval of the permanent regulatory program by the United States secretary of the interior, shall be extended and remain in effect until eight (8) months after approval of the permanent regulatory program. Any interim permit so extended shall continue as a valid existing permit for purposes of this subsection if the permittee so requests and files an application for a permit with the cabinet within two (2) months of the date of approval of the permanent regulatory program. The permittee may conduct operations under that existing permit beyond the eight (8) month period if an application has been filed in accordance with this subsection, but the initial administrative decision has not been rendered.

(4) No permit or revision application shall be approved unless the application affirmatively demonstrates and the cabinet finds in writing on the basis of the information set forth in the application or from information otherwise available, that the permit application is accurate and complete and that all the requirements of this chapter have been complied with.

(5) An operator desiring a permit to engage in surface coal mining operations shall file an application which shall state:

(a) The location and area of land to be affected by the operation, with a description of access to the area from the nearest public highways;

(b) The owner or owners of the surface of the area of land to be affected by the permit and the owner or owners of all surface area adjacent to any part of the affected area;

(c) The owner or owners of the coal to be mined;

(d) The source of the applicant's legal right to mine the coal on the land affected by the permit;

(e) The permanent and temporary post-office addresses of the applicant;

(f) Whether the applicant or any person, partnership or corporation associated with the applicant holds or has held any other permits under this chapter, and an identification of such permits;

(g) Whether or not the applicant is in compliance with subsection (3) of KRS 350.130 and whether or not every officer, partner, director or any individual owning of record or beneficially (alone or with associates) a ten percent (10%) or more interest of the applicant, is subject to any of the provisions of subsection (3) of KRS 350.130 and he shall so certify;

(h) A listing of any and all violations of this chapter, P.L. 95-87, and any law, rule or regulation in effect for the protection of air or water resources incurred by the applicant in connection with any surface coal mining and reclamation operation during the three-year period prior to the date of an application. Such a list shall indicate the final resolution of the violations; and

(i) Whether the area of land to be affected by the operation has been previously mined and is not in compliance with current reclamation standards, if so then identify the needed reclamation work.

(6) The application for a permit shall be accompanied by an official document (and an affidavit attesting to the document's authenticity) which will evidence what particular business entity the applicant is, whether a foreign or domestic corporation, a partnership, an entity doing business as another, or, if sole proprietorship, then an affidavit so stating.

(7) The application for a permit shall be accompanied by copies, in numbers satisfactory to the cabinet, of a United States geological survey topographic map or such other map acceptable to the cabinet on which the operator has indicated the location of the operation, the course which would be taken by drainage from the operation to the stream or streams to which such drainage would normally flow, the name of the applicant and date, and the name of the person who located the operation on the map.

(8) The application for a permit shall be accompanied by copies, in numbers satisfactory to the cabinet, of an enlarged United States geological survey topographic map or such other map acceptable to the cabinet meeting the requirements of the subsections below. The map shall:

(a) Be prepared and certified by a professional engineer, registered under the provisions of KRS Chapter 322. The certification shall be in the form as provided in subsection (10) *of this section* [~~below~~], except that the engineer shall not be required to certify the true ownership of property under paragraph (d) of this subsection;

(b) Identify the area to correspond with the application;

(c) Show adjacent deep mining;

(d) Show the boundaries of surface properties and names of owners on the affected area and adjacent to any part of the affected area;

(e) Be of a scale of 1:24,000 or larger;

(f) Show the names, and locations of all streams, creeks, or other bodies of public water, roads, buildings, cemeteries, oil and gas wells, and utility lines on the area of land affected and within five hundred (500) feet of such area;

(g) Show by appropriate markings the boundaries of the area of land affected, the cropline of the seam or deposit of coal to be mined, and the total number of acres involved in the area of land affected;

(h) Show the date on which the map was prepared, the north point and the quadrangle name; and

(i) Show the drainage plan on and away from the area of land affected. Such plan shall indicate the directional flow of water, constructed drainways, natural waterways used for drainage, and the streams or tributaries receiving the discharge.

(9) Each application shall include a determination of the probable hydrologic consequences of the mining and reclamation operations, both on and off the mine site, with respect to the hydrologic regime, quantity and quality of water in surface and groundwater systems, including the dissolved and suspended solids under seasonal flow conditions and the collection of sufficient data for the mine site and surrounding areas so that an assessment can be made by the cabinet of the probable cumulative impacts of all anticipated mining in the area upon the hydrology of the area and particularly upon water availability; provided, however, that this determination shall not be required until such time as hydrologic information on the general area prior to mining is made available from an appropriate federal or state agency. Provided further, that the permit shall not be approved until such information is available and is incorporated into the application.

(10) All certifications required by this chapter to be made by professional engineers shall be done in the form prescribed by the cabinet and shall be reasonably specific as to the work being certified. The cabinet may reject any document or map as incomplete if it is not properly certified.

(11) The application shall be accompanied by a transportation plan which shall set forth the portions of the state primary road system, if any, over which the applicant proposes to transport minerals extracted in the mining operation. The transportation plan shall specify the legal weight limits for each portion of any such highway or bridge over which the applicant proposes to transport minerals. The transportation plan shall include any proposal by the applicant to obtain a special permit pursuant to the provisions of KRS 189.271 to exceed the weight limits on any highway or bridge. The transportation plan shall contain a certification by a duly authorized official of the transportation cabinet attesting the accuracy of the transportation plan in regard to the locations and identities of highways and bridges on the state primary road system and the accuracy of the specifications of weight limits on such highways and bridges. All trucks hauling coal on a fully controlled limited access highway shall be covered by a tarp or equivalent cover to prevent spillage.

(12) In addition to the information and maps required above, each application for a permit shall be accompanied by detailed plans or proposals showing the method of operation, the manner, time and distance for backfilling, grading work and a reclamation plan for the affected area, which proposals shall meet the requirements of this chapter and rules and regulations adopted pursuant thereto.

(13) The application for a permit shall be accompanied by proof that the applicant has public liability insurance coverage satisfactory to the bureau for the surface mining and reclamation operations for which the permit is sought, or proof that the applicant has satisfied self-insurance requirements as provided by regulations of the cabinet. Such coverage shall be maintained in full force and effect during the terms of the permit and any renewal thereof, and until reclamation operations are completed.

(14) A basic fee set by regulation, and bearing a reasonable relationship to the cost of processing the permit application but not to exceed three hundred seventy-five dollars ($375) plus a fee set by regulation but not to exceed seventy-five dollars ($75) for each acre or fraction thereof of the area of land to be affected by the operation, shall be paid before the permit required herein shall be issued*; provided that if the cabinet approves an incremental bonding plan submitted by the applicant, the acreage fees may be paid in increments and at times corresponding to the approved plan*. The operator shall file with the cabinet a bond payable to the Commonwealth of Kentucky with surety satisfactory to the cabinet in the penal sum to be determined by the cabinet for each acre or fraction thereof of the area of land affected, with a minimum bond of ten thousand dollars ($10,000), conditioned upon the faithful performance of the requirements set forth in this chapter and of the rules and regulations of the cabinet. In determining the amount of the bond the cabinet shall take into consideration the character and nature of the overburden, the future suitable use of the land involved and the cost of backfilling, grading and reclamation to be required and the probable difficulty of reclamation giving consideration to such factors as topography, geology, hydrology, and revegetation potential. The bond amount shall initially be computed to be sufficient to assure completion of reclamation if the work had to be performed by the cabinet in the event of forfeiture. The cabinet shall promulgate regulations setting forth bonding requirements including, but not limited to, requirements for the amount, duration, release, and forfeiture of such bonds. Where the circumstances are such as to warrant an exception, the cabinet, in its discretion, may reduce the amount of the bond for a two (2) acre operation to less than the required minimum.

(15) Surface coal mining and reclamation operations which affect two (2) acres or less shall be exempt from the requirements of this chapter, except that the cabinet shall promulgate reasonable minimal regulations for permitting, bonding, controlling offsite water quality, revegetation, refuse piles, and use of explosives; and shall prohibit disposal of soil over the outslope in an uncontrolled manner. Such regulations shall recognize the distinct difference between two (2) acre operations and other surface coal mining operations and shall be less stringent than those imposed on other surface coal mining operations affecting more than two (2) acres, and in no event shall the cabinet require that the highwalls left by such operations be eliminated. In no event shall the bond be more than one thousand dollars ($1,000) per acre. The cabinet shall promulgate a short form application which will require the basic business information and a brief description of the method of operation. These applications shall be processed within thirty (30) calendar days. All procedural provisions and the penalty provisions of KRS 350.990 shall, however, apply to operations conducted and permits granted pursuant to this subsection. The cabinet shall enforce this subsection consistent with *this chapter* [~~KRS Chapter 350~~] except that the cabinet shall not issue orders requiring cessation of operations for mere failure to abate a violation.

(16) The cabinet shall promulgate rules and regulations for the permitting of operations with surface effects of underground mining and other surface coal mining and reclamation operations consistent with this section. The cabinet shall recognize the distinct differences between the surface effects of underground mining and strip mining, as also provided in KRS 350.151, in promulgating permitting requirements for these operations; provided, that the cabinet shall require, for underground mines that are greater than two (2) acres under subsection (15) of this section, that all of the areas overlying underground workings be permitted but that the areas overlying underground workings not affected by operations and facilities occurring on the surface shall not be subject to the payment of acreage fees or bond requirements of subsection (14) of this section or of KRS 350.151; provided, however, that applications for operations of two (2) acres or less filed under subsection (15) of this section shall clearly identify the boundaries of the proposed deep mine operation.

(17) Any valid permit issued pursuant to this chapter shall carry with it the right of successive renewal upon expiration with respect to areas within the boundaries of the existing permit. The holders of the permit may apply for renewal and such renewal shall be issued (provided that on application for renewal the burden shall be on the opponents of renewal), subsequent to the fulfillment of the public notice requirements of this chapter unless it is established and written findings by the cabinet are made that:

(a) The terms and conditions of the existing permit are not being satisfactorily met;

(b) The present surface coal mining and reclamation operation is not in compliance with the environmental protection standards of this chapter;

(c) The renewal requested substantially jeopardizes the operator's continuing responsibility on existing permit areas;

(d) The operator has not provided evidence that the performance bond in effect for said operation will continue in full force and effect for any renewal requested in such application as well as any additional bond the cabinet might require; or

(e) Any additional revised or updated information required by the cabinet has not been provided;

Prior to the approval of any renewal of permit the cabinet shall provide notice to the appropriate public authorities.

(18) If an application for renewal of a valid permit includes a proposal to extend the mining operation beyond the boundaries authorized in the existing permit, the portion of the application for renewal of a valid permit which addresses any new areas of surface disturbance shall be subject to the full standards applicable to new applications under this chapter.

(19) Any permit renewal shall be for a term not to exceed the period of the original permit. Application for permit renewal shall be made at least one hundred and twenty (120) days prior to the expiration of the valid permit.

(20) Notwithstanding any of the provisions of this section, a permit shall terminate if the permittee has not commenced the surface coal mining operations covered by such permit within three (3) years of the issuance of the permit. However, the cabinet may grant reasonable extensions of time upon a showing that such extensions are necessary by reason of litigation precluding commencement of operations, or threatening substantial economic loss to the permittee, or by reason of conditions beyond the control and without the fault or negligence of the permittee. With respect to coal to be mined for use in a synthetic fuel facility or specific major electric generating facility, the permittee shall be deemed to have commenced surface mining operations at such time as the construction of the synthetic fuel or generating facility is initiated.

(21) Each application for a permit or revision for auger mining on a previously mined area must contain information to describe the area to be affected, to show that the proposed method of operation will result in stable post-mining conditions, and reduce or eliminate adverse environmental conditions created by previous mining activities. If the cabinet determines that the affected area cannot be stabilized and reclaimed subsequent to augering or that the operation will result in an adverse impact to the proposed or adjacent area, the permit or revision shall not be issued. The cabinet shall, consistent with all applicable requirements of *this*

chapter [~~KRS Chapter 350~~], issue a permit or revision if the applicant demonstrates that the proposed coal mining operations will provide for reduction or elimination of the highwall, or reduction or abatement of adverse impacts resulting from past mining activities, or stabilization or enhancement of a previously mined area. The cabinet shall insure that all reasonably available spoil material will be used to backfill the highwall to the extent practical and feasible; provided, however, that in all cases the holes be properly sealed and backfilled to a minimum of four (4) feet above the coal seam being mined.

(22) All operations involving the crushing, screening, or loading of coal which do not separate the coal from its impurities, and which are not located at or near the mine site, shall be exempt from the requirements of this chapter.

SB 330, AN ACT relating to hazardous waste.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 224.876 is amended to read as follows:

(1) The general assembly declares that it is the purpose of this section to promote the development of statewide programs, under the responsibility of a single agency, which are intended to protect the health of the citizens and the environment of the Commonwealth from present and future threats associated with the management of hazardous wastes, including disposal, treatment, recycling, storage, and transportation. The intent of the general assembly is to add to and coordinate, and not replace, existing efforts and responsibilities in the areas of hazardous waste management and to leave the primary burden and responsibility for hazardous waste management on private industry; and further to finance assistance and coordination by imposing assessments on the generators of hazardous waste. The assessments are intended to produce a reduction in waste generated; to promote the use of new techniques in recycling, treatment, and alternatives other than land disposal; and to place the burden of financing additional hazardous waste management activities necessarily undertaken by state agencies on the users of those products associated with hazardous waste generation.

(2) The natural resources and environmental protection cabinet is given the authority to administer the provisions and programs of this section and the responsibility to achieve the purposes of this section.

(3) In addition to all specific responsibilities contained elsewhere in this chapter, the cabinet shall:

(a) Respond effectively and in a timely manner to emergencies created by the release of hazardous substances as defined in KRS 224.877 into the environment. The cabinet shall provide for adequate containment and removal of the hazardous substances in order that the threat of a release or actual release of the substance may be abated and resultant harm to the environment minimized.

(b) Provide for post-closure monitoring and maintenance of hazardous waste disposal sites upon termination of post-closure monitoring and maintenance responsibilities by persons permitted to operate the facility pursuant to this chapter.

(c) Provide adequate testing, planning, contracting for removal, and cleanup of abandoned hazardous waste sites in all situations and to the extent that responsible parties are economically or otherwise unavailable to properly address the problem when the problem represents an imminent danger to the health of the citizens and the environment of the Commonwealth.

(4) The cabinet shall recover, when possible, actual and necessary expenditures incurred in carrying out the duties under this section.

(5) It is the expressed purpose of this section to accomplish effective hazardous waste management that results in a reduction of the generation of hazardous wastes within the Commonwealth; further, it is a purpose of this chapter to allocate a portion of the cost of administering necessary governmental programs related to hazardous waste management to those industries whose products are reasonably related to the production of hazardous waste.

(6) There is hereby imposed upon every person engaged within this state in the generation of hazardous waste an annual hazardous waste management assessment to be determined pursuant to this section according to the quantity by volume of hazardous waste generated, except that generators of "special wastes" and retailers who generate waste oil shall be exempt from said assessment. The assessment shall be reported and paid to the department of revenue on a quarterly basis on or before the twentieth (20th) day of the month after the end of each quarter. The payment shall be accompanied by a report or return in such form as the department of revenue may prescribe. If a federal law is enacted which accomplishes or purports to accomplish the purposes set forth in this section and which levies an assessment or tax upon any business assessed pursuant to this section, the amount of the assessment to be levied upon said business under this section shall be reduced by the amount of the federal assessment or tax upon said business; provided, however, that the reduction shall only be authorized when funds raised by the federal assessment or tax are made available to the state for any of the activities to be funded under this section. If federal monies are

available to carry out the duties imposed by subsection (3) of this section the assessment shall cease to be levied and collected until such time as federal monies are no longer available to the Commonwealth for said purposes. The assessment shall be charged against generators of hazardous waste until June 30, *1986* [~~1984~~], and after such date no further hazardous waste management assessment shall be charged against generators. [~~As of July 1, 1984 the assessment shall be charged against hazardous waste disposal facilities according to the quantity by volume of hazardous waste treated and disposed of at that facility.~~]

(7) The assessment on generators shall be determined according to the following criteria for off-site treatment and disposal; the assessment for onsite treatment and disposal shall be one-half of the amount as would be assessed for off-site treatment and disposal except that onsite waste disposal facilities that incinerate, detoxify, solidify, neutralize or recycle hazardous waste shall be exempt unless the process involves the landfilling of hazardous waste.

(a) When the waste is destined for long-term containment without treatment, the assessment shall be two cents ($.02) per gallon initially, and shall increase by one cent ($.01) annually up to five cents ($.05) per gallon in 1983 and remain at five cents ($.05) thereafter if the waste is liquid, or two dollars and fifty cents ($2.50) per cubic yard if the waste is solid. Long-term containment includes disposal in a landfill, long-term storage, and other types of disposal specified by the cabinet.

(b) When a waste not suitable for a long-term containment is chemically treated, resulting in a material which is suitable for long-term containment but is still hazardous, the assessment shall be one cent ($.01) per gallon if the waste is a liquid or one dollar ($1) per cubic yard if the waste is solid.

(c) When the waste is destined for chemical treatment resulting in a material which is not hazardous as determined by testing criteria promulgated by the cabinet, the assessment shall be five mills ($.005) per gallon if the waste is liquid or fifty cents ($.50) per cubic yard if the waste is solid.

(d) When the waste is destined for destructive treatment by incineration or other means, the assessment shall be five mills ($.005) per gallon if the waste is liquid or fifty cents ($.50) per cubic yard if the waste is solid.

(8) [~~The assessment on hazardous waste disposal facilities to be charged as of July 1, 1984 shall be determined according to the criteria set forth in paragraphs (a), (b), (c), and (d) of subsection (7) of this section for all hazardous waste disposal facilities except that onsite waste disposal facilities that incinerate, detoxify, solidify, neutralize or recycle hazardous waste shall be exempt unless the process involves the landfilling of hazardous waste.~~

~~(9)~~]If any generator [~~or operator of a hazardous waste disposal facility~~] fails or refuses to file a return or furnish any information requested in writing by the cabinet, the department of revenue may, from any information in its possession, make an estimate and issue an assessment against such generator [~~or operator of a hazardous waste disposal facility~~] and add a penalty of ten percent (10%) of the amount of the assessment so determined. This penalty shall be in addition to all other applicable penalties in this chapter.

(9)[~~(10)~~] If any generator [~~or operator of a hazardous waste disposal facility~~] fails to make and file a return required by this chapter on or before the due date of the return or the due date as extended by the department of revenue, then, unless it is shown to the satisfaction of the department of revenue, that the failure is due to reasonable cause, five percent (5%) of the assessment found to be due by the department of revenue shall be added to the assessment for each thirty (30) days or fraction thereof elapsing between the due date of the return and the date on which filed, but the total penalty shall not exceed twenty-five percent (25%) of the assessment.

(10)[~~(11)~~] If the assessment imposed by this chapter, whether assessed by the department of revenue, or the generator [~~or operator of a hazardous waste disposal facility~~], or any installment or portion of the assessment is not paid on or before the date prescribed for its payment, there shall be collected, as a part of the assessment, interest upon the unpaid amount at the rate of eight percent (8%) per annum from the date prescribed for its payment until payment is actually made to the department of revenue.

(11)[~~(12)~~] There is hereby created within the state treasury a trust and agency fund which shall not lapse to be known as the hazardous waste management fund. The department of revenue shall be responsible for collecting and receiving funds as provided in this section, and all such assessments collected or received by the state treasury shall be deposited in the hazardous waste management fund. When the state treasurer certifies to the department that the balance of the hazardous waste management fund exceeds six million dollars ($6,000,000), assessments shall not be collected until the state treasurer certifies to the department of revenue that the balance in the hazardous waste management fund is less than three million dollars ($3,000,000).

(12)[~~(13)~~] Upon request of the secretary, monies accumulated in the hazardous waste management fund shall be released in amounts necessary to accomplish the performance of the duties imposed by subsection (3) of this section. However, monies from the fund shall not be used when federal monies are available to carry out said duties except when immediate action is required to protect public health or the environment in which case the department shall actively pursue reimbursement of the fund by any available federal monies.

The Committee on Judiciary-Civil reported **HB 501** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

The Committee on Judiciary-Civil reported **SB 262, SB 302,** and **SB 305** with the expression of opinion that the same should pass. REad at length for the first time and ordered placed in the Calendar.

SB 262, AN ACT relating to arbitration.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 417 IS CREATED TO READ AS FOLLOWS:

A written agreement to submit any existing controversy to arbitration or a provision in written contract to submit to arbitration any controversy thereafter arising between the parties is valid, enforceable and irrevocable, save upon such grounds as exist at law for the revocation of any contract. This Act does not apply to arbitration agreements between employers and employes or between their respective representatives and does not apply to insurance contracts.

SECTION 2. A NEW SECTION OF KRS CHAPTER 417 IS CREATED TO READ AS FOLLOWS:

(1) On application of a party showing an agreement described in Section 1 of this Act, and the opposing party's refusal to arbitrate, the court shall order the parties to proceed with arbitration. If the opposing party denies the existence of the agreement to arbitrate, the court shall proceed summarily to the determination of the issue so raised. The court shall order arbitration if found for the moving party; otherwise, the application shall be denied.

(2) On application, the court may stay an arbitration proceeding commenced or threatened on a showing that there is no agreement to arbitrate. Such an issue, when in substantial and bona fide dispute, shall be forthwith and summarily tried and the stay ordered if found for the moving party. If found for the opposing party, the court shall order the parties to proceed to arbitration.

(3) If an issue referable to arbitration under the alleged agreement is involved in an action or proceeding pending in a court having jurisdiction to hear applications under subsection (1) of this section, the application shall be made therein. Otherwise and subject to Section 17 of this Act, the application may be made in any court of competent jurisdiction.

(4) Any action or proceeding involving an issue subject to arbitration shall be stayed if an order for arbitration or an application therefor has been made under this section; or if the issue is severable, the stay may be with respect thereto only. When the application is made in such action or proceeding, the order for arbitration shall include such stay.

(5) An order for arbitration shall not be refused on the ground that the claim in issue lacks merit or bona fides or because any fault or grounds for the claim sought to be arbitrated have not been shown.

SECTION 3. A NEW SECTION OF KRS CHAPTER 417 IS CREATED TO READ AS FOLLOWS:

If the arbitration agreement provides a method of appointment of arbitrators, this method shall be followed. In the absence thereof, or if the agreed method fails or for any reason cannot be followed, or when an arbitrator appointed fails or is unable to act and his successor has not been duly appointed, the court on application of a party shall appoint one (1) or more arbitrators. An arbitrator so appointed has all the powers of one (1) specifically named in the agreement.

SECTION 4. A NEW SECTION OF KRS CHAPTER 417 IS CREATED TO READ AS FOLLOWS:

The powers of the arbitrators may be exercised by a majority unless otherwise provided by the agreement or by this Act.

SECTION 5. A NEW SECTION OF KRS CHAPTER 417 IS CREATED TO READ AS FOLLOWS:

Unless otherwise provided by the agreement:

(1) The arbitrators shall appoint a time and place for the hearing and cause notification to the parties to be served personally or by certified mail not less than five (5) days before the hearing. Appearance at the hearing waives such notice. The arbitrators may adjourn the hearing from time to time as necessary and, on request of a party and for good cause, or upon their own motion may postpone the hearing to a time not later than the date fixed by the agreement for making the award, unless the parties consent to a later date. The arbitrators may hear and determine the controversy upon the evidence produced notwithstanding the failure of a party duly notified to appear. The court on application may direct the arbitrators to proceed promptly with the hearing and determination of the controversy.

(2) The parties are entitled to be heard, to present evidence material to the controversy and to cross-examine witnesses appearing at the hearing.

(3) The hearing shall be conducted by all the arbitrators but a majority may determine any question and render a final award. If, during the course of the hearing, an arbitrator for any reason ceases to act, the remaining arbitrator or arbitrators appointed to act as neutrals may continue with the hearing and determination of the controversy.

SECTION 6. A NEW SECTION OF KRS CHAPTER 417 IS CREATED TO READ AS FOLLOWS:

A party has the right to be represented by an attorney at any proceeding or hearing under this Act. A waiver thereof prior to the proceeding or hearing is ineffective.

SECTION 7. A NEW SECTION OF KRS CHAPTER 417 IS CREATED TO READ AS FOLLOWS:

(1) The arbitrators may issue subpoenas for the attendance of witnesses and for the production of books, records, documents and other evidence, and shall have the power to administer oaths. Subpoenas so issued shall be served and, upon application to the court by a party or the arbitrators, enforced, in the manner provided by law for the service and enforcement of subpoenas in a civil action.

(2) On application of a party and for use as evidence, the arbitrators may permit a deposition to be taken, in the manner and upon the terms designated by the arbitrators, of a witness who cannot be subpoenaed or is unable to attend the hearing.

(3) All provisions of law compelling a person under subpoena to testify are applicable.

(4) Fees for attendance as a witness shall be the same as for a witness in the circuit court.

SECTION 8. A NEW SECTION OF KRS CHAPTER 417 IS CREATED TO READ AS FOLLOWS:

(1) The award shall be in writing and signed by the arbitrators joining in the award. The arbitrators shall deliver a copy to each party personally or by certified mail, or as provided in the agreement.

(2) An award shall be made within the time fixed therefor by the agreement or, if not so fixed, within such time as the court orders on application of a party. The parties may extend the time in writing either before or after the expiration thereof. A party waives the objection that an award was not made within the time required unless he notifies the arbitrators of his objection prior to the delivery of the award to him.

SECTION 9. A NEW SECTION OF KRS CHAPTER 417 IS CREATED TO READ AS FOLLOWS:

On application of a party to the arbitrators or, if an application to the court is pending under Section 11, 12 or 13 of this Act, on submission to the arbitrators by the court under such conditions as the court may order, the arbitrators may modify or correct the award upon the grounds stated in paragraphs (a) and (b) of subsection (1) of Section 13 of this Act, or for the purpose of clarifying the award. The application shall be made within twenty (20) days after delivery of the award to the applicant. Written notice thereof shall be given forthwith to the opposing party, stating he must serve his objections thereto, if any, within ten (10) days from the notice. The award so modified or corrected is subject to the provisions of Sections 11, 12 and 13 of this Act.

SECTION 10. A NEW SECTION OF KRS CHAPTER 417 IS CREATED TO READ AS FOLLOWS:

Unless otherwise provided in the agreement to arbitrate, the arbitrators' expenses, fees and other expenses incurred in the conduct of the arbitration shall be paid as provided in the award. Attorneys' fees shall not be awarded unless a provision therefor is contained in the written agreement submitted to arbitration.

SECTION 11. A NEW SECTION OF KRS CHAPTER 417 IS CREATED TO READ AS FOLLOWS:

Upon application of a party, the court shall confirm an award unless, within the time limits hereinafter imposed, grounds are urged for vacating or modifying or correcting the award, in which case the court shall proceed as provided in Sections 12 and 13 of this Act.

SECTION 12. A NEW SECTION OF KRS CHAPTER 417 IS CREATED TO READ AS FOLLOWS:

(1) Upon application of a party, the court shall vacate an award where:

(a) The award was procured by corruption, fraud or other undue means;

(b) There was evident partiality by an arbitrator appointed as a neutral or corruption in any of the arbitrators or misconduct prejudicing the rights of any party;

(c) The arbitrators exceeded their powers;

(d) The arbitrators refused to postpone the hearing upon sufficient cause being shown therefor or refused to hear evidence material to the controversy or otherwise so conducted the hearing, contrary to the provisions of Section 5 of this Act, as to prejudice substantially the rights of a party; or

(e) There was no arbitration agreement and the issue was not adversely determined in proceedings under Section 2 of this Act and the party did not participate in the arbitration hearing without raising the

objection; but the fact that the relief was such that it could not or would not be granted by a court is not ground for vacating or refusing to confirm the award.

(2) An application under this section shall be made within ninety (90) days after delivery of a copy of the award to the applicant; except that, if predicated upon corruption, fraud or other undue means, it shall be made within ninety (90) days after such grounds are known or should have been known.

(3) In vacating the award on grounds other than stated in paragraph (a) of subsection (1) of this section, the court may order a rehearing before new arbitrators chosen as provided in the agreement, or in the absence thereof, by the court in accordance with Section 3 of this Act; or, if the award is vacated on grounds set forth in paragraphs (c) and (d) of subsection (1) of this section, the court may order a rehearing before the arbitrators who made the award or their successors appointed in accordance with Section 3 of this Act. The time within which the agreement requires the award to be made is applicable to the rehearing and commences on the date of the order.

(4) If the application to vacate is denied and no motion to modify or correct the award is pending, the court shall confirm the award.

SECTION 13. A NEW SECTION OF KRS CHAPTER 417 IS CREATED TO READ AS FOLLOWS:

(1) Upon application made within ninety (90) days after delivery of a copy of the award to the applicant, the court shall modify or correct the award where:

(a) There was an evident miscalculation of figures or an evident mistake in the description of any person, thing or property referred to in the award;

(b) The arbitrators have awarded upon a matter not submitted to them and the award may be corrected without affecting the merits of the decision upon the issues submitted; or

(c) The award is imperfect in a matter of form, not affecting the merits of the controversy.

(2) If the application is granted, the court shall modify and correct the award so as to effect its intent and shall confirm the award as so modified and corrected. Otherwise, the court shall confirm the award as made.

(3) An application to modify or correct an award may be joined in the alternative with an application to vacate the award.

SECTION 14. A NEW SECTION OF KRS CHAPTER 417 IS CREATED TO READ AS FOLLOWS:

Upon the granting of an order confirming, modifying or correcting, an award, judgment or decree shall be entered in conformity therewith and be enforced as any other judgment or decree. Costs of the application and of the proceedings subsequent thereto, and disbursements may be awarded by the court.

SECTION 15. A NEW SECTION OF KRS CHAPTER 417 IS CREATED TO READ AS FOLLOWS:

Except as otherwise provided, an application to the court under this Act shall be by motion and shall be heard in the manner and upon the notice provided by law or rule of court for the making and hearing of motions in civil cases. Unless the parties have agreed otherwise, notice of an initial application for an order shall be served in the manner provided by law for the service of a summons in civil cases.

SECTION 16. A NEW SECTION OF KRS CHAPTER 417 IS CREATED TO READ AS FOLLOWS:

The term "court" means any court of competent jurisdiction of this state. The making of an agreement described in Section 1 of this Act providing for arbitration in this state confers jurisdiction on the court to enforce the agreement under this Act and to enter judgment on an award thereunder.

SECTION 17. A NEW SECTION OF KRS CHAPTER 417 IS CREATED TO READ AS FOLLOWS:

An initial application shall be made to the court of the county in which the agreement provides the arbitration hearing shall be held, or, if the hearing has been held, in the county in which it was held. Otherwise, the application shall be made in the county where the adverse party resides or has a place of business or, if he has no residence or place of business in this state, to the court of any county. All subsequent applications shall be made to the court hearing the initial application, unless the court otherwise directs.

SECTION 18. A NEW SECTION OF KRS CHAPTER 417 IS CREATED TO READ AS FOLLOWS:

(1) An appeal may be taken from:

(a) An order denying an application to compel arbitration made under Section 2 of this Act;

(b) An order granting an application to stay arbitration made under subsection (2) of Section 2 of this Act;

(c) An order confirming or denying conformation of an award;

(d) An order modifying or correcting an award;

(e) An order vacating an award without directing a rehearing; or

(f) A judgment or decree entered pursuant to the provisions of this Act.

(2) The appeal shall be taken in the manner and to the same extent as from orders or judgments in a

civil action.

SECTION 19. A NEW SECTION OF KRS CHAPTER 417 IS CREATED TO READ AS FOLLOWS:

This Act applies only to agreements made subsequent to the taking effect of this Act.

SECTION 20. A NEW SECTION OF KRS CHAPTER 417 IS CREATED TO READ AS FOLLOWS:

This Act shall be so construed as to effectuate its general purpose to make uniform the law of those states which enact it.

SECTION 21. A NEW SECTION OF KRS CHAPTER 417 IS CREATED TO READ AS FOLLOWS:

This Act may be cited as the "Uniform Arbitration Act."

Section 22. The following KRS sections are repealed:

417.010	Submission of controversy to arbitration by agreement.
417.011	Controversies which may be arbitrated -- Procedure for submission.
417.012	Oath of arbitrators and umpire.
417.013	Subpoenas -- Attendance of witnesses may be coerced.
417.014	Controversies may be submitted by fiduciaries.
417.015	Procedure if arbitrator does not act.
417.016	Meetings and powers of arbitrators and umpires -- Award.
417.017	Entry of award as judgment.
417.018	Power of court over awards.
417.020	Form of submission agreement.
417.030	Time and place of meeting of arbitrators -- Notice to parties -- Oath -- Conduct of hearing.
417.040	Form and effect of the award -- Jurisdiction of courts.

SB 302, AN ACT relating to consumer protection.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 367.200 is amended to read as follows:

The court may make such additional orders or judgments as may be necessary to restore to any person in interest any moneys or property, real or personal, which may have been *paid out as a result* [~~acquired by means~~] of any practice declared to be unlawful by KRS 367.110 to 367.300, including the appointment of a receiver or the revocation of a license or certificate authorizing any person to engage in business in the Commonwealth or both.

SB 305, AN ACT relating to consumer protection.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 367.865 is amended to read as follows:

(1) Effective January 1, 1983, each motor vehicle manufacturer shall offer to the buyer a comprehensive informal dispute resolution system. By transacting business in the Commonwealth of Kentucky, each manufacturer is deemed to have voluntarily consented to participate in the system. Each system shall operate pursuant to written rules and procedures which:

(a) Ensure that the system is impartial, accessible to the buyer, and expeditious, and shall operate at no cost to the buyer;

(b) Provide that if the buyer elects to submit the dispute to the system, the manufacturer shall not refuse to submit the dispute to the system as long as the subject of the dispute occurred during the first two (2) years or twenty-five thousand (25,000) miles, whichever occurs first, of the buyer's ownership of the motor vehicle involved in the dispute;

(c) Provide that the system shall provide for an oral hearing, unless the buyer agrees in writing that the system shall render a decision based solely on documents submitted to it;

(d) Shall include, but is not limited to, procedures for informing the buyer of the existence of the system, preparing the agreement between the buyer and the manufacturer whereby the dispute may be submitted to the system, selecting the members of the decision-making panel, notifying the parties of the complaint, investigating the complaint, providing for hearings, rendering a fair and expeditious decision, and informing parties of the decision.

(2) The decision of the system shall be legally binding on the *manufacturer* [~~parties~~]. *The decision of the system shall not be legally binding on the buyer, unless the manufacturer elects to have its system binding on all buyers who summit their disputes to the system. If the system is to be binding to both parties,* the written agreement between the buyer and the manufacturer whereby the dispute is submitted to the system shall include in conspicuous, bold-faced type the following statement:

"YOU SHOULD REMEMBER THAT BY ENTERING INTO THIS AGREEMENT YOU ARE DECIDING TO USE THIS DISPUTE RESOLUTION SYSTEM TO SETTLE YOUR DISPUTE INSTEAD OF GOING TO COURT. AFTER A DECISION BY AN ARBITRATOR, NORMALLY A COURT WILL REFUSE TO HEAR THE FACTS IN A CASE IN ALL BUT THE MOST UNUSUAL SITUATIONS. YOUR SIGNATURE IS REQUIRED IMMEDIATELY BELOW TO INDICATE THAT YOU HAVE READ THIS DISCLOSURE.

----------------------------"

SIGNATURE OF BUYER

(3) Before a dispute may be submitted to *a* [~~the~~] system *which is legally binding on both parties,* the buyer shall sign the disclosure statement required by subsection (2) of this section.

(4) Each manufacturer shall take steps reasonably calculated to make the buyer aware of the existence of the system at the time the dispute arises.

(5) Each manufacturer shall take all steps necessary to ensure that the system is sufficiently insulated from the manufacturer so that the decisions of the system are not influenced by the manufacturer. The system's decision-making panel shall be composed of members at least fifty-one percent (51%) of whom have no involvement in the manufacture, distribution or sale of motor vehicles. No member deciding a dispute shall be a party to the dispute; nor shall any member deciding a dispute be an employe or agent of a party to the dispute, unless solely for the purpose of impartially deciding disputes.

(6) Nothing herein shall prohibit the manufacturer from participating in a system sponsored or administered by an impartial third party having no direct involvement in the manufacture, distribution, sale, or service of motor vehicles.

(7) Each dispute resolution system shall provide to the office of the attorney general, upon request, the name and address of each buyer whose complaint is resolved through its system. The attorney general shall have the authority to monitor each dispute resolution system as well as review the records on each complaint, upon request. An annual report shall be prepared and published by the office of the attorney general evaluating the performance, effectiveness, and benefits of the system, and shall include in this report recommendations for continuing, modifying, or terminating the requirement of this section.

SECTION 2. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO READ AS FOLLOWS:

Notwithstanding the provisions of KRS 367.860 to 367.870, a dispute resolution system which is established pursuant to and in compliance with 16 C.F.R. Part 703 satisfies the requirements of this Act, as long as the dispute resolution system provides each party to the dispute with the right to an oral hearing.

The Committee on State Government reported **HB 479**, with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

The Committee Amendment No. 2 to **HB 479** is as follows:

Amend printed copy of **HB 479**, page 1, line 17, by deleting the word "*an*" and inserting in lieu thereof "*a*"

And on page 1, line 18, by deleting "*independent*"

And on page 2, line 2, by inserting after the "." the following: "*The general purpose of the center shall be to apprise local and state government officials of legislative programs affecting them and to accept recommendations from these officials to alleviate problems of local governments.*"

And on page 34, by deleting lines 5 through 11 in their entirety

And on page 34, line 12, by changing "Section 15" to "Section 14"

The Committee Title Amendment to **HB 479** is as follows:

Amend printed copy of **HB 479**, page 1, Title, by deleting the following words from the title: "and making an appropriation therefor"

The Committee on State Government reported **HB 861, SB 71, SB 116** with Committee Amendment attached thereto, **SB 136, SB 145, SB 153** with Committee Amendment attached thereto, **SB 158, SB 163** with Committee Amendments attached thereto, **SB 212, SB 236** with Committee Amendment attached thereto, **SB 265, SB 267, SB 343,** and **HR 104,** with Committee Substitute and Committee Title Amendment attached thereto with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 861, AN ACT relating to representative districts and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 6.031 is amended to read as follows:

The Commonwealth of Kentucky is divided into representative districts as follows:

(1) First District: Ballard, Carlisle, Fulton, and Hickman Counties and that part of McCracken County contained in the election precincts of Ragland, Grahamville, Woodville, Lamont and Maxon and in that part of the election precinct of Messac-Milan lying north-northwest of U.S. Highway 62.

(2) Second District: Graves County.

(3) Third District: That part of McCracken County not contained in the First and Fourth Districts.

(4) Fourth District: Livingston County; that part of Crittenden County not contained in the Twelfth District and that part of McCracken County contained in the election precincts of Reidland No. 1, Reidland No. 2, Clark River, Hovekamp, Oaks Station, Hendron No. 2, Florence Station, Harper, New Hope-Melber, Rolling Hills, Lone Oak No. 1 and Lone Oak No. 2, and that part of the election precinct of Messac-Milan lying south-southwest of U.S. Highway 62.

(5) Fifth District: Calloway County and that part of Trigg County contained in the Land Between the Lakes and in the voting precincts of Bethesda, Canton, West Cadiz, North Cadiz 1, North Cadiz 2, South Cadiz 1 and South Cadiz 2.

(6) Sixth District: Lyon and Marshall Counties and that part of Caldwell County contained in election precincts Princeton #1, Princeton #4, Princeton #5 and Harmony.

(7) Seventh District: Union County; that part of Henderson County not contained in the Eleventh District; that part of Daviess County contained in the voting precincts of Pleasant Ridge, Utica, Snyder, West Louisville, Curdsville, St. Joseph, Rome, Sorgho, Masonville, Stanley, Northtown, Southtown, Fields, and Habit but excluding those parts of Northtown, Southtown and Fields precincts that are completely surrounded by one or more election precincts of the city of Owensboro.

(8) Eighth District: That part of Trigg County contained in Fort Campbell Military Reservation and in the voting precincts of Wallonia, Cerulean, Maggie and Caledonia-Roaring Spring; that part of Christian County not contained within the Ninth District.

(9) Ninth District: That part of Christian County contained in Fort Campbell Military Reservation and within the following voting precincts: Beverly, North Pembroke, Elmo, South Pembroke, Oak Grove, Lafayette, Sinking Fork, Consolation, West Crofton, East Crofton, Pilot Rock, Fearsville and Apex; that part of Hopkins County contained within the following voting precincts: East Dawson, Charleston and Ilsley.

(10) Tenth District: That part of Hopkins County not contained in the Ninth and Twelfth Districts.

(11) Eleventh District: Henderson County, except for the voting precincts of South Corydon, Niagara, Hebbardsville-Bluff City and South Robards.

(12) Twelfth District: Webster County; that part of Crittenden County contained in election precincts Rosebud, Shady Grove, Marion #5 and Marion #6; that part of Hopkins County contained in election precincts Ashbyburg, Hanson, East Hanson, Manitou and Nebo; that part of Caldwell County not contained in the Sixth District; and that part of McLean County not contained in the Fifteenth District.

(13) Thirteenth District: That part of Daviess County contained in the following election precincts: Owensboro #1, #2, #5, #8, #12, #13, #16, #21, #22, #23, #25, #26, #27, #28, #29, #30, #31, #33, #34, #35, #36, #37, #38, #39, #40, #41, #42, #43, #44 and #45 and those parts of the election precincts of Northtown, Southtown or Fields that are completely surrounded by one or more of the Owensboro precincts contained within the Thirteenth District.

(14) Fourteenth District: That part of Daviess County not contained in the Seventh District or in the Thirteenth District.

(15) Fifteenth District: Muhlenberg County and that part of McLean County contained in voting precincts: Sacramento, Livermore #3, Livermore #8 and Island.

(16) Sixteenth District: Todd and Logan Counties.

(17) Seventeenth District: Ohio and Butler Counties and that part of Hancock County contained in election precincts Boiling Chappell, Pellville, Chambers and Utility.

(18) Eighteenth District: Breckinridge County; that part of Hancock County not contained in the Seventeenth District; and that part of Meade County contained in election precincts Concordia, Flaherty, Guston, Payneville, Battletown and Wolfe Creek and in that part of Ekron election precinct lying west of a line formed by State Highway 144 and Rock Haven Road, and in that part of Woodland election precinct southeast of a line following Osborne Road northeastward to Hobbs-Reesor Road to State Highway 1238 and northeast on State Highway 1238 to the Woodland election precinct line.

(19) Nineteenth District: Edmonson and Grayson Counties; that part of Hardin County contained in voting precincts Upton, White Mills, Eastview and Meeting Creek.

(20) Twentieth District: That part of Warren County containing voting precincts Courthouse, Potter Gray, Nellums, Whayne Supply, Briarwood-Richland, Laurel and Broadway, Ogden College, Municipal Park, Shive-Kiel, 11th Street School, D and F Market, Greenwood, Carver-Harris, T. C. Cherry, Millers, 17th and Normal, Cabell Fire Station, Crestmoor, Millers #2, Carver Harris II, 11th Street Fire Station, Church Street, Watts Mill #2, Watts Mill and Mt. Victor.

(21) Twenty-first District: That part of Simpson County contained in the voting precincts of West Simpson, North Simpson and Prospect Hill and that part of Warren County not contained in the Twentieth District.

(22) Twenty-second District: Allen and Monroe Counties, and that part of Simpson County not contained in the Twenty-first District.

(23) Twenty-third District: Barren County and that part of Metcalfe County containing voting precincts Randolph-Wisdom No. 3, Knob Lick No. 4, Savoyard No. 5, Summer Shade No. 8 and Willow Shade-Beaumont No. 9.

(24) Twenty-fourth District: Hart County; Marion County; that part of Larue County contained in the election precincts of Buffalo, Buffalo East, Attilla, Otter and Mt. Sherman.

(25) Twenty-fifth District: That part of Hardin County not contained in the Nineteenth, Twenty-sixth and Twenty-seventh Districts.

(26) Twenty-sixth District: That part of Hardin County contained in the voting precincts of Radcliff Northwest, Radcliff Southwest, Radcliff Southeast, Radcliff East, Radcliff North, Radcliff South, Radcliff West, Vine Grove East, Vine Grove West, Longview, Colesburg, that part of Yates precinct north of State Highway 144, and that part of the Fort Knox Military Reservation not included in the Twenty-seventh District; that part of Larue County not contained in the Twenty-fourth District.

(27) Twenty-seventh District: That part of Meade County not contained in the Eighteenth District; that part of Bullitt County contained in election precincts Cupio 13, Brooks 12 and Brooks 12A; that part of Hardin County contained in West Point election precinct and in that part of the Fort Knox Military Reservation whose southern boundary is Chaffee Avenue extended westward to the Hardin-Meade County line and eastward to Park Road; thence southward to Eleventh Avenue; thence eastward on Eleventh Avenue and a line extending due eastward to the Bullitt County-Hardin County line.

(28) Twenty-eighth District: That part of Jefferson County containing voting precincts C7, C8, C14, C31, C32, C33, C40, C43, C44, C45, C47, C53, C56, C57, C58, C64, C65, C66, C72, C73, C78, C79, C82, C90, C91, C98, C99, C101, C103, C107, C108, C109 of Commissioner's District C.

(29) Twenty-ninth District: That part of Jefferson County containing voting precincts C5, C6, C11, C16, C19, C21, C24, C30, C34, C39, C46, C50, C54, C55, C59, C61, C67, C69, C71, C74, C75, C80, C81, C85, C94, C97, C100, C112 of Commissioner's District C.

(30) Thirtieth District: That part of Jefferson County containing voting precinct 37 of the Third Ward of the city of Louisville, and voting precincts B10, B13, B18, B19, B21, B22, B24, B25, B31, B40, B42, B43, B48, B49, B54, B58, B64, B67, B70, B71, B72, B78, B84, B85, B87, B89 of Commissioner's District B.

(31) Thirty-first District: That part of Jefferson County containing voting precincts 16, 17, 19, 26, 29, 34, 35, 36, 38 and 39 of the Second Ward of the city of Louisville; and voting precincts A22, A35, A39, A63, A80, A81, A85, A86, A89, A91, A98, A99, A100, A102, A105, A114, A117, A118, A119, A123, A125, A127, A128, A135, A138, A139, A146 and A151 of Commissioner's District A.

(32) Thirty-second District: That part of Jefferson County containing voting precincts 4, 5, 6, 7, 8, 9, 10, 23A, 23B, 23, 24, 25, 27, 28, 29, 30 and 33 of the First Ward of the city of Louisville; voting precincts 1, 2, 3, 4, 5, 6, 7A, 7, 8, 10, 13, 15, 18, 20, 27, 32, 40 and 41 of the Second Ward of the city of Louisville; voting precincts 1 and 2 of the Third Ward of the city of Louisville; and voting precincts A4, A5, A6, A17, A18, A19, A24, A26, A27, A31, A32, A34, A46, A51, A64, A68, A71, A82, A83 and A94 of Commissioner's District A.

(33) Thirty-Third District: That part of Jefferson County containing voting precincts 23, 30 and 31 of the Second Ward of the city of Louisville; voting precincts A10, A11, A15, A16, A36, A53, A57, A70, A75, A76, A84, A87, A90, A92, A93, A95, A97, A101, A104, A112, A115, A120, A130, A132, A134, A137, A141 and A152 of Commissioner's District A.

(34) Thirty-fourth District: That part of Jefferson County containing voting precincts 12, 16, 19A and 19 of the First Ward of Louisville; voting precincts 9, 11, 12, 14, 21, 24, 28, and 33 of the Second Ward of the city of Louisville; voting precincts 3, 4, 7, 8, 9, 10, 11, 12, 13, 14, 15, 18, 19, 20, 21, 22, 23, 25, 26, 27, 28;

30, 31, 32, 33, 34, 35 and 36 of the Third Ward of the city of Louisville; and voting precincts 7 and 11 of the Fifth Ward of the city of Louisville; voting precincts A96 and A103 of Commissioner's District A; and voting precinct B16 of Commissioner's District B.

(35) Thirty-fifth District: That part of Jefferson County containing voting precincts 16, 17 and 29 of the Third Ward of the city of Louisville; 1, 5A, 5, 7, 8A, 8, 9A, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 22, 25, 26, 27, 28, 29, 30, 32 and 33 of the Fourth Ward of the city of Louisville; voting precincts 22, 26, 27, 28, 29 and 30 of the Fifth Ward of the city of Louisville; and voting precincts 10 and 13 of the Eighth Ward of the city of Louisville; and voting precincts B4, B8, B11, B12, B15 and B32 of Commissioner's District B.

(36) Thirty-sixth District: Garrard County; that part of Jessamine County contained in election precincts of East Nicholasville #1, East Nicholasville #2, West Nicholasville #2, Southeast Nicholasville #1 and #2, Southwest Nicholasville #1, #2 and #3, Sulphur Well, Little Hickman, and Bethel; and that part of Madison County contained in the Lexington-Blue Grass Army Depot and in the election precincts of Blue Lick, East Berea, Gay-Stephens, North Berea, South Berea, West Berea, Big Hill, Bobtown-Redlick, Clay, Brassfield-Bearwallow and Poosey.

(37) Thirty-seventh District: That part of Jefferson County containing voting precincts 2, 21, 23 and 34 of the Fourth Ward of the city of Louisville; voting precincts 4, 6, 7, 8, 9, 10, 11, 14, 17, 18, 19, 20, 21, 22, 23, 25, 29 and 33 of the Sixth Ward of the city of Louisville; voting precincts 6, 8, and 9 of the Seventh Ward of the city of Louisville; voting precincts 11, 12, 14A, 14, 16A and 16 of the Eighth Ward of the city of Louisville; voting precincts B5 (not including that part of B5 located within the city limits of Louisville), B29, B75, B79, B82 and B92 of Commissioner's District B; and voting precincts C22 and C70 of Commissioner's District C.

(38) Thirty-eighth District: That part of Jefferson County containing voting precincts 12, 13, 15, 16, 24, 26A, 26, 27, 28, 30, 31 and 32 of the Sixth Ward of the city of Louisville; voting precincts 3A, 3, 5, 7, 10, 13, 15, 16, 18, 19, 20, 21, 22, 23, 24, 25 and 26 of the Seventh Ward of the city of Louisville; that part of voting precinct B5 of Commissioner's District B not contained within the Thirty-seventh District; and voting precincts C12, C18, C60, C87, C89 and C96 of Commissioner's District C.

(39) Thirty-ninth District: That part of Harlan County contained in the election precincts of Old Baxter, New Baxter, Pine Mountain, Bledsoe, Loyall-Old, Loyall-School and Rio Vista; that part of Perry County not contained in the Ninety-first District; that part of Owsley County not contained in the Ninetieth District.

(40) Fortieth District: That part of Jefferson County containing voting precincts 24 and 25 of the Fifth Ward of the city of Louisville; voting precinct 5 of the Sixth Ward of the city of Louisville; voting precincts 1, 2, 4, 11, 12, 14 and 17 of the Seventh Ward of the city of Louisville; voting precincts 7, 8A, 8, 9, 15A, 15, 17, 18A, 18, 19, 20 and 21, of the Eighth Ward of the city of Louisville; voting precincts 10, 11, 13, 14A, 14, 15, 16, 17 and 18 of the Ninth Ward of the city of Louisville; voting precincts 25A and 25 of the Tenth Ward of the city of Louisville; and voting precincts C9, C25, C27, C35, C51, C63 and C68 of Commissioner's District C.

(41) Forty-first District: That part of Jefferson County containing voting precincts 1, 2, 3, 11, 13, 14, 15, 17, 21, 31, 32 and 34 of the First Ward of the city of Louisville; voting precincts 2, 3, 4, 5, 6, 8, 10, 13, 15, 18, 19 and 31 of the Fifth Ward of the city of Louisville; and voting precincts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 18, 20, 29 and 30 of the Tenth Ward of the city of Louisville.

(42) Forty-second District: That part of Jefferson County containing voting precincts 12, 16, 17, 20, 21, and 23 of the Fifth Ward of the city of Louisville; voting precincts 1, 2, 3, 4, 5, 6 and 22 of the Eighth Ward of the city of Louisville; voting precincts 1, 2, 4, 7A, 7, 8, 9, 19, 20 and 21 of the Ninth Ward of the city of Louisville; voting precincts 16A, 16, 17, 19, 21A, 21, 22, 23, 24, 26, 27, 28A and 28 of the Tenth Ward of the city of Louisville; voting precincts 14, 15, 16, 17, 18A, 18, 19, 20, 21A, and 21 of the Eleventh Ward of the city of Louisville; and voting precincts 24 and 25 of the Twelfth Ward of the city of Louisville.

(43) Forty-third District: That part of Jefferson County containing voting precincts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 22 of the Eleventh Ward of the city of Louisville; and voting precincts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11A, 11, 12, 13, 14, 15, 16A, 16, 17, 18, 19, 20, 21, 22 and 23 of the Twelfth Ward of the city of Louisville.

(44) Forty-fourth District: That part of Jefferson County containing voting precincts 3, 5, 6 and 22 of the Ninth Ward of the city of Louisville; and voting precincts C1, C2, C3, C4, C10, C13, C15, C17, C20, C26, C28, C29, C36, C37, C38, C41, C42, C48, C49, C52, C62, C76, C77, C83, C84, C86, C88, C92, C93, C95, C104, C105, C106, C110 and C111 of Commissioner's District C.

(45) Forty-fifth District: That part of Jefferson County containing voting precincts B1, B2, B3, B6, B7, B9, B17, B23, B27, B28, B30, B39, B45, B55, B56, B59, B63, B66, B73, B74, B76, B81, B83, B90, B91 and B94 of Commissioner's District B; and voting precincts C23 and C102 of Commissioner's District C.

(46) Forty-sixth District: That part of Jefferson County containing voting precinct A88 of Commissioner's District A; and voting precincts B14, B20, B26, B33, B34, B35, B36, B37, B38, B41, B44, B46, B47, B50, B51, B52, B53, B57, B60, B61, B62, B65, B68, B69, B77, B80, B86, B88 and B93 of Commissioner's District B.

(47) Forty-seventh District: That part of Jefferson County containing voting precincts A8, A12, A13, A14, A20, A21, A23, A25, A28, A33, A37, A38, A41, A42, A43, A44, A45, A50, A58, A65, A69, A72, A74, A77, A106, A107, A108, A109, A110, A124, A126, A129, A133, A136, A147, A149 and A153 of Commissioner's District A.

(48) Forty-eighth District: That part of Jefferson County containing voting precincts 20 and 22 of the First Ward of the city of Louisville; and voting precincts A1, A2, A3, A7, A9, A29, A30, A40, A47, A48, A49, A52, A54, A55, A56, A59, A60, A61, A62, A66, A67, A73, A78, A79, A111, A113, A116, A121, A122, A131, A140, A142, A143, A144, A145, A148 and A150 of Commissioner's District A.

(49) Forty-ninth District: That part of Bullitt County not contained in the Twenty-seventh District.

(50) Fiftieth District: Nelson and Washington Counties.

(51) Fifty-first District: Green and Taylor Counties, and that part of Metcalfe County not contained in the Twenty-third District.

(52) Fifty-second District: Adair and Casey Counties and that part of Russell County contained in the election precincts of Webbs, Irvins, Esto, Royville, City Hall, Fairgrounds, Eli and Rowes.

(53) Fifty-third District: Wayne, Clinton and Cumberland Counties; that part of Russell County not contained within the Fifty-second and Eighty-third Districts.

(54) Fifty-fourth District: Boyle County; that part of Lincoln County contained in the Census County Divisions of Hustonville and Stanford and in Census Enumeration Districts 564 and 565.

(55) Fifty-fifth District: Mercer, Spencer and Anderson Counties.

(56) Fifty-sixth District: Woodford County; that part of Franklin County contained in election precincts Forks of Elkhorn, Switzer, Peaks Mill, Owenton Road and Swallowfield; that part of Jessamine County not contained in the Thirty-sixth District.

(57) Fifty-seventh District: That part of Franklin County not contained in the Fifty-sixth District.

(58) Fifty-eighth District: Henry and Shelby Counties.

(59) Fifty-ninth District: Oldhamand Trimble Counties.

(60) Sixtieth District: That part of Boone County not contained in the Sixty-sixth District.

(61) Sixty-first District: Carroll, Gallatin, Grant and Owen Counties.

(62) Sixty-second District: Harrison and Scott Counties.

(63) Sixty-third District: That part of Kenton County containing the following voting precincts: Crescent Springs 1 and 2; Crestview Hills; Edgewood 1, 2, 3, 4, 5 and 6; Fort Mitchell 1, 2, 3, 4, 5 and 6; Fort Wright 1, 2, 3, 4 and 5; Lakeside Park 1, 2 and 3; Park Hills 1, 2 and 3; Richardson*; and that part of Sandfordtown Precinct west of the L & N Railroad track and west of Madison Pike*.

(64) Sixty-fourth District: That part of Kenton County containing the following voting precincts: Bracht, Cherokee, Covington 26, 27, 29, 30 and 43, Decoursey, Independence 1, 2 and 3, Morningview, Nicholson, Oakridge, Piner, *that part of* Sandfordtown *not contained in the Sixty-third District*, Taylor Mill 1 and 2, Visalia, Whites Tower, and Winston Park; and that part of Pendleton County contained in voting precinct Grassy Creek.

(65) Sixty-fifth District: That part of Kenton County containing the following voting precincts: Covington 7, 10, 11, 12, 13, 14, 15, 17, 18, 19, 20, 21, 23, 24, 25, 31, 33, 34, and 42; and that part of Kenton County contained within the city of Ludlow and the *city* of Bromley.

(66) Sixty-sixth District: That part of Boone County containing the following voting precincts: Devon 1, 1A and 2; Florence 1; that part of Florence 3 bounded as follows: beginning at the Boone County line and Old Dixie Highway, then west with Old Dixie Highway to State Highway 1017, then north on State Highway 1017 to Sebree Drive, then west on Sebree Drive to Jortha Avenue, then north on Jortha Avenue to Lloyd, then east on Lloyd and Drexel Avenue to Oakwood Drive, then northeast on Oakwood Drive and High Ridge Avenue to Florence city limits, then east with city limits of Florence to Boone County line, then to point of beginning; Florence 6; that part of Kenton County containing the following voting precincts: *that part of Bromley precinct not contained in Ludlow city and in Bromley city,* Elsmere 1, 2, 3 and 4, Erlanger 1, 2, 3, 4, 5, 6, 7, 8 and 9, Villa Hills 1 and 2.

(67) Sixty-seventh District: That part of Campbell County containing all of the voting precincts in the city of Newport; that part of Campbell County containing the following voting precincts: Southgate A, B and C, Wilder and Woodlawn; that part of Kenton County containing the following voting precincts: Covington 1, 3, 6, 35, 36, 39, 40, and 41.

(68) Sixty-eighth District: That part of Campbell County containing the following voting precincts Bellevue A, B, C, D, E, F, G, H and I; Dayton A, B, C, D, E, F, and G; Fort Thomas A, B, C, D, E, G, L and P, Brent, Crestview, Silver Grove, Hayfield, Carthage, Camp Springs, California, Mentor and Gubser's Mill and Melbourne; Pendleton County precincts Bonar, Sandsuck, and Falmouth 3; and Bracken County precincts Foster, Johnsville, Augusta West and Augusta East.

(69) Sixty-ninth District: That part of Campbell County not contained in the Sixty-seventh and Sixty-eighth Districts; that part of Pendleton County not contained in the Sixty-fourth District and in the Sixty-eighth District.

(70) Seventieth District: Mason, Fleming and Robertson Counties; that part of Bracken County not

contained in the Sixty-eighth District.

(71) Seventy-first District: Morgan and Rowan Counties; that part of Lawrence County contained in election precincts Martha, Blaine, Brushey and Meades Branch; and that part of Lewis County contained in the election precincts of Concord, Mowers, Tollesboro, and Burtonsville and in that part of the election precinct of Peterville southwest of a line commencing at the intersection of State Highway 377 at the Rowan-Lewis County line; thence following the centerline of Highway 377 to the Handy Fork Road, thence with the centerline of Handy Fork Road to its termination; thence with a straight line from the end of the Handy Fork Road to the Sargeant Branch Road; thence with the centerline of the Sargeant Branch Road to the intersection of State Highway 509; thence with the centerline of State Highway 509 northeast to Petersville and the intersection of Highway 344; thence northwest with the centerline of Highway 344 to the Burtonville Precinct boundary.

(72) Seventy-second District: Bourbon County and that part of Fayette County not contained in the Seventy-fifth District, the Seventy-sixth, Seventy-seventh, Seventy-eighth and Seventy-ninth Districts.

(73) Seventy-third District: Clark and that part of Powell County west of a line extending from the Montgomery County line south with the centerline of State Highway 213 to State Highway 11 and 15, then westward with the center of State Highway 11 and 15 to the western city limits of Stanton, then eastward around the southern city limits of Stanton to the Mountain Parkway, then eastward with the Mountain Parkway to State Highway 11 and 15, then southward with State Highway 11 and 15 to Cat Creek-High Rock Road, then south with said road and an unnamed branch of Cat Creek to Knowlton Ridge Road, then southward with Knowlton Ridge Road to State Highway 213, then southward with State Highway 213 to the Estill County line.

(74) Seventy-fourth District: Bath, Nicholas and Montgomery Counties.

(75) Seventy-fifth District: That part of Fayette County contained within the following election precincts: Davidson Court, Fayette Park, Hampton Court, Preston Inn, West Main, Church, Deerfield, Fair Grounds, Goodrich, Merino, Open Gates, Picadome, Rodes Addition, Rosemont, Towers, Alabama, Ashland Avenue, Aylesford, Bell Place, Bunker, Campsie, Clifton, College View, Hollywood, Lawrence, Mt. Vernon, and Woodland.

(76) Seventy-sixth District: That part of Fayette County contained within the following election precincts: Blue Acres, Marlboro, Radcliffe, Aspendale, Bluegrass, Breckenridge, Bryan Station, Castlewood, Crawford, Deep Springs, Dixie, Eastland, Emerson, Helm, Henry Clay, Hermitage, Idle Hour, Kenwick, Liberty Heights, Loudon, Northern, Ohio, Rookwood, Victory, Walnut Street, Walton, Warfield Place, Augusta, Greenleaf and Delaware.

(77) Seventy-seventh District: That part of Fayette County contained within the following election precincts: Alexandria, Barker, Cardinal Valley, Douglas, Evans, Fairlawn, Garden Springs, Gibson Park, Holiday Hills, Imperial, Julius Marks, Keys, Lane Allen, Larkspur, Meadowthorpe, Oxford, Pine Meadows, St. Martins, Skycrest, Terrace View, Turfland, Versailles Pike, Viley Heights, Washington, Wolf Run, Barkley, Lafayette, Clays Mill, Hill-n-Dale, Indian Hills, Longview, Pershing, Southview and Arlington.

(78) Seventy-eighth District: That part of Fayette County contained within the following election precincts: Beaumont, Meridian, The Colony, Airport, Blueberry Hills, Brigadoon, Brookhaven, Camelot, Glendover, Hinda Heights, Keithshire, Lansdowne, Leawood, McDowell, Malabu, Montavesta, Monticello, Redding Road, Shadeland, Shady Lane, Stone, Stonewall, Wem, Zandale, Robinwood, South Point, Tudor, Bayswater, Kirklevington, Stoneybrook, Surfside, and Plantation.

(79) Seventy-ninth District: That part of the county of Fayette contained within the following election precincts: Fairway, Gainesway, Lakeview, Mt. Tabor, Merrick, Richmond Road, Shrine, Southeastern Hills, Tates Creek, Walnut Hill, Delong, River Park, Blairmore, Edgewater, Ascot, Park Hills, Cove Lake, Chevy Chase, Chilesburg, Duke, Ellerslie, Fontaine, Woodspoint, Alsab, and Ridgeway.

(80) Eightieth District: Rockcastle County; that part of Lincoln County not contained in the Fifty-fourth District; that part of McCreary County not contained in the Eighty-second district; and that part of Pulaski County contained within the following voting precincts: Eubank 25, Estesburg 26, Hazeldell 29, Good Hope 28, Dallas, Mayfield, Mt. Victory, Sloans Valley, Gamblin, Buncombe, and Catron 31.

(81) Eighty-first District: That part of Madison County not contained in the Thirty-sixth District.

(82) Eighty-second District: That part of Whitley County not contained in the Eighty-seventh District; that part of McCreary County contained within Census Enumeration Districts 182, 183, 185 and 186.

(83) Eighty-third District: That part of Pulaski County not contained in the Eightieth District; and that part of Russell County contained in the election precinct of Jabez.

(84) Eighty-fourth District: Estill, Lee and Menifee Counties; that part of Powell County not contained in the Seventy-third District; and that part of Jackson County not contained in the Ninetieth District.

(85) Eighty-fifth District: Laurel County.

(86) Eighty-sixth District: Knox County; that part of Clay County contained in voting precincts Harts Branch, Horse Creek, Manchester, Garrard and Whites Branch.

(87) Eighty-seventh District: Bell County and that part of Whitley County southeast of a line beginning at the Tennessee State line, following the Pine Mountain Divide northeastward, then westward with the Vanderpool Mountain Divide to the Rose Creek-Seng Branch Divide, then northward with said divide to the Gatliff Lookout Road, then with said road to State Highway 904, then eastward with State Highway 904 to State Highway 1809, then northward with State Highway 1809 to the Knox County line.

(88) Eighty-eighth District: That part of Harlan County not contained in the Thirty-ninth District.

(89) Eighty-ninth District: Breathitt, Wolfe and Magoffin Counties.

(90) Ninetieth District: Leslie County; that part of Jackson County contained in Census Enumeration Districts 81, 82, 83 and 76U; that part of Clay County not contained in the Eighty-sixth District; that part of Owsley County contained in election precincts Island Creek, Sturgeon and Elk Lick.

(91) Ninety-first District: That part of Perry County contained in the election precincts of Whitaker, Little Leatherwood, Cornettsville, Fusonia, Vicco, Happy, Jeff, Farmertown and Christopher; that part of Pike County south and west of a line beginning at the Letcher County line, then northeast with the Marshall Branch-Booker Branch Divide and the Orchard Branch-Blaze Branch Divide to Gale Road, then with the Gale Road to its intersection with U.S. Highway 23, then in a straight line eastwardly to Herman Siding Station, then south-southeast with northern boundary of Dorton Census County Division to the Virginia state line and that part of Letcher County not contained in the Ninety-second District.

(92) Ninety-second District: Knott County; that part of Letcher County contained in the voting precincts of Ison, Colson, Marion, Blackey, Doty and Baker; that part of Floyd County contained in the voting precincts of Rock Fork #37, Wayland #18, Lackey #17, Bosco #15, Beechgrove #41, Jack Allen, Middle Creek #8, Maytown, Rough and Tough #12, Abbott #35, and Garrett #16.

(93) Ninety-third District: That part of Pike County not contained in the Ninety-first and Ninety-fourth Districts.

(94) Ninety-fourth District: That part of Pike County contained in the Census County Divisions of Pikeville, Mayflower, Raccoon, Sidney and South Williamson and Census Enumeration Districts 505 and 506.

(95) Ninety-fifth District: That part of Floyd County not contained in the Ninety-second District.

(96) Ninety-sixth District: Carter County; that part of Lewis County not contained in the Seventy-first District; that part of Greenup County contained in Census Enumeration District 831.

(97) Ninety-seventh District: Johnson and Martin Counties.

(98) Ninety-eighth District: That part of Greenup County not contained in the Ninety-sixth and One hundredth Districts.

(99) Ninety-ninth District: Elliott County; that part of Lawrence County not contained in the Seventy-first District; that part of Boyd County containing the following voting precincts: Court House, City Building, Argo, Hampton, England Hill, Durbin, East Fork, Cannonsburg, Princess, Garner , Hoods Creek, Fairview, Buckley #1, Buckley #2, Westwood , Fannin, Ashland Oil and Greenhill.

(100) One hundredth District: That part of Boyd County not contained in the Ninety-ninth District and that part of Greenup County contained in the city of Bellefonte.

Section 2. Whereas, the filing date for primary elections in representative districts will occur before July 14, 1984, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the governor.

SB 71, AN ACT proposing to amend the Constitution of Kentucky relative to education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. It is proposed that Section 91 of the Constitution of Kentucky be amended to read as follows:

A treasurer, auditor of public accounts, register of the land office, commissioner of agriculture, labor and statistics, secretary of state *and* [~~,~~] attorney-general [~~and superintendent of public instruction~~], shall be elected by the qualified voters of the state at the same time the governor is elected, for the term of four (4) years, each of whom shall be at least thirty (30) years of age at the time of his election, and shall have been a resident citizen of the state at least two (2) years next before his election. The duties of all these officers shall be such as may be prescribed by law, and the secretary of state shall keep a fair register of and attest all the official acts of the governor, and shall, when required, lay the same and all papers, minutes and vouchers relative thereto before either house of the general assembly. The officers named in this section shall enter upon the discharge of their duties the first Monday in January after their election, and shall hold their offices until their successors are elected and qualified.

Section 2. It is proposed that Section 93 of the Constitution of Kentucky be amended to read as follows:

The treasurer, auditor of public accounts, secretary of state, commissioner of agriculture, labor and statistics, attorney general, [~~superintendent of public instruction~~] and register of the land office shall be ineligible to re-election for the succeeding four years after the expiration of the term for which they shall have been elected. The duties and responsibilities of these officers shall be prescribed by law, and all fees collected by any of said officers shall be covered into the treasury. Inferior state officers, not specifically provided for in this Constitution, may be appointed or elected, in such manner as may be prescribed by law, for a term not exceeding four (4) years, and until their successors are appointed or elected and qualified.

Section 3. It is proposed that Section 95 of the Constitution of Kentucky be amended to read as follows:

The election under this Constitution for governor, lieutenant governor, treasurer, auditor of public accounts, register of the land office, attorney-general, secretary of state, [~~superintendent of public instruction,~~] and commissioner of agriculture, labor and statistics, shall be held on the first Tuesday after the first Monday in November, eighteen hundred and ninety-five, and the same day every four (4) years thereafter.

Section 4. It is proposed that Section 183 of the Constitution of Kentucky be amended to read as follows:

The general assembly shall, by appropriate legislation, provide for an efficient system of common schools throughout the state. *There shall be a state board of education which shall consist of thirteen (13) members whose duties and qualifications shall be prescribed by statute. The governor shall appoint one (1) board member from each of the seven (7) supreme court districts and six (6) members at large to begin their respective terms on the first Monday of January, 1988. Individual appointments shall be subject to confirmation by majority vote of the senate during the first legislature in session subsequent to the appointment. Appointments not confirmed shall be void and the governor shall make an additional appointment to serve the remainder of the particular term, subject to confirmation by the senate. Of the original thirteen (13) appointments, three (3) shall be for six (6) year terms, two (2) for five (5) year terms, two (2) for four (4) year terms, two (2) for three (3) year terms, two (2) for two (2) year terms, and two (2) for one (1) year terms, at the designation of the governor. Thereafter, at the expiration of each term, a member of the state board of education shall be appointed for a six (6) year term. Board members shall be eligible to serve no more than two (2) consecutive terms. The state board of education shall appoint a superintendent of public instruction, who shall act as executive officer for the board and perform such duties and possess such qualifications as may be provided by the board or by statute. The superintendent shall serve pursuant to an employment contract which may be executed in a maximum term of five (5) years. An individual may, at the pleasure of the board, serve consecutive contractual periods of employment as superintendent. The superintendent of public instruction shall serve at such salary and allowances as may be fixed by the board and may be removed for cause to be prescribed by law.*

Section 5. It is further proposed as a part of this amendment that the superintendent of public instruction serving in office at the time of the ratification of this amendment, shall continue in office until his elective term shall expire.

Section 6. This amendment shall be submitted to the voters of the Commonwealth of Kentucky for their ratification or rejection at the time and in the manner provided for under Sections 256 and 257 of the Constitution of Kentucky and under KRS 118.415.

SB 116, AN ACT proposing to amend the Constitution of Kentucky relating to lotteries.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. It is proposed that Section 226 of the Constitution of Kentucky be amended to read as follows:

Lotteries and gift enterprises are forbidden, and no privileges shall be granted for such purposes, and none shall be exercised, and no schemes for similar purposes shall be allowed, *except that the General Assembly may authorize an agency of the state to conduct sweepstakes, to sell rights to participate therein, and to award prizes by chance to participants; provided that the entire net proceeds of any such sweepstakes shall be used exclusively for the purpose of supporting primary, secondary, or higher education as the General Assembly may prescribe.* The General Assembly shall enforce this section by proper penalties. All lottery *or sweepstakes* privileges or charters heretofore granted *other than as set out in this section* are revoked.

Section 2. This amendment shall be submitted to the voters of the Commonwealth of Kentucky for their ratification or rejection at the time and in the manner provided in Sections 256 and 257 of the Constitution of Kentucky and in KRS 118.415.

The Committee Amendment No. 1 to **SB 116** is as follows:

Amend printed copy of **SB 116**, page 1, line 3, after "Lotteries" by inserting "," and by placing brackets around and striking through "and"

And on line 3 after "enterprises" by inserting "*and sweepstakes, except those which the General Assembly may authorize an agency of the state to conduct and which utilize the entire net proceeds exclusively for the purpose of supporting primary, secondary, or higher education, as the General Assembly may prescribe,*"

And on line 6 after "allowed" by deleting "*, except that the General Assembly may*" and by deleting lines 7-12

And at the beginning of line 13 by deleting "*may prescribe*"

SB 136, AN ACT relating to the location of correctional institutions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 196 IS CREATED TO READ AS FOLLOWS:

(1) Prior to the acquisition of land or the commencement of the construction or expansion of an existing structure for use as an institution to be operated by or for the corrections cabinet, the secretary shall notify the fiscal court of the county or counties where the institution is to be located of the cabinet's intention to locate or expand an institution there. The notice shall include the following information:

(a) A metes and bounds description of the land on which the institution is to be located;

(b) A description of any and all buildings to be constructed or expanded;

(c) The security and custody levels of the institution;

(d) The number of prisoners to be held in the institution;

(e) The number of employes of the institution;

(f) The cabinet's plans for the treatment or disposal of sewerage and solid waste; and

(g) Any other matters related to the selection of and the suitability of the site.

(2) Within thirty (30) days of the receipt of notice from the cabinet, the fiscal court may call for a public hearing on the planned location of the institution. The public hearing shall be held no later than thirty (30) days from the time of the fiscal court's call for the hearing. The fiscal court shall publish notice of the hearing as provided in KRS Chapter 424 and shall provide the cabinet with notice by registered mail. Within fourteen (14) days of the hearing the fiscal court may forward written objections to the planned location of the institution to the governor. The objections shall state that:

(a) The location or expansion of the institution would pose an unreasonable threat to the security of nearby heavily populated residential areas;

(b) The location or expansion of the institution would unreasonably burden existing facilities for the disposal of sewerage or solid waste; or

(c) The location or expansion of the institution would unreasonably alter the natural or social environment of the area near the institution.

(3) When an institution is located in a county over the written objections of a fiscal court, the governor shall report to the general assembly, at the next regular session, concerning the reasons that compelled the location of prison over the objection of the fiscal court.

SB 145, AN ACT relating to the official state language.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 2 IS CREATED TO READ AS FOLLOWS:

English is designated as the official state language of Kentucky.

SB 153, AN ACT relating to state government.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 196.160 is amended to read as follows:

The secretary shall appoint a *warden* [~~superintendent~~], a receiver and other necessary employes for each of the state penal and correctional institutions. The compensation of these officers and employes may include maintenance.

Section 2. KRS 196.180 is amended to read as follows:

(1) The *warden* [~~superintendent~~] shall have the general management of the institution, and the inmates thereof, subject to the rules and regulations of the corrections cabinet, and he shall devote his entire time to the duties of his office.

(2) The *warden* [~~superintendent~~] of each institution shall be held responsible for the management of his institution and shall be subject to removal at any time by the secretary.

Section 3. KRS 197.050 is amended to read as follows:

The *warden* [~~superintendent~~] of the penitentiary shall cause each prisoner, when received into the penitentiary, to be informed of the contents of Chapter 520 and KRS 506.010.

Section 4. KRS 439.302 is amended to read as follows:

The commission on correction and community service shall consist of the secretary of the corrections cabinet, the *commissioner* [~~executive director~~] of the *department* [~~office~~] of community services *and facilities*, the commissioner of the department of adult institutions, the chairman of the parole board, two (2) circuit judges designated by the governor, five (5) public members appointed by the governor, these to include a psychiatrist, a professional educator, a member who is qualified to express the views of business and industry, a member who is qualified to express the views of organized labor, and a practicing attorney, and four (4) at-large appointees. The judicial and public members shall serve for the remainder of the term of office of the governor during whose incumbency they were appointed, unless sooner removed for cause; all other members shall serve during their terms of office. The secretary of the corrections cabinet shall act as chairman of the commission. All public members of the commission shall receive twenty-five dollars ($25.00) per day for attending each meeting. Each commission member shall be reimbursed for his necessary travel and other expenses actually incurred in the discharge of his duties on the commission.

Section 5. The general assembly confirms the reorganization of the corrections cabinet by Executive Order 83-67 issued on December 30, 1983, to the extent that Executive Order 83-67 is not otherwise confirmed by this Act. Such confirmation shall include but is not limited to:

(1) Renaming the office of community services to become the department of community services and facilities which shall be headed by a commissioner who shall be appointed by the governor and shall be directly responsible to the secretary.

(2) Specifying the duties of the department of community services and facilities to be:

(a) Development of community support systems;

(b) Administration of the parole and probation system;

(c) Supervision of the offenders released on probation and parole; and

(d) Development and administration of local jails.

(3) Authorizing the commissioner of the department of community services and facilities to employ such personnel as necessary to perform the duties, functions and responsibilities of the department.

(4) Directing the department of community services and facilities to be organized and structured to include the following major organizational units:

(a) Division of probation and parole which shall be headed by a director who shall be responsible for the corrections cabinet functions of supervision of persons released by the parole board and referred by the courts, and the intensive supervision program;

(b) Division of local facilities headed by a director who shall be responsible for the corrections cabinet functions for inspection of local jails, technical assistance in jail operations, and approval of plans for jail renovation and construction.

(5) Creating within the department of adult institutions additional divisions, each of which shall consist of a state penal and correctional institution. Each division shall be headed by a warden appointed by the secretary pursuant to KRS 196.160, and who shall be directly responsible to the commissioner of the department of adult institutions. The additional divisions are as follows:

(a) Division of Bell County Forestry Camp

(b) Division of Blackburn Correctional Complex

(c) Division of Frankfort Career Development Center

(d) Division of Roederer Farm Center

(e) Division of Western Kentucky Farm Center.

(6) Authorizing each respective warden to employ the necessary personnel to enable the division to perform the duties, responsibilities and functions of the division.

(7) Abolishing the division of minimum security institutions and transferring all funds, personnel, functions and facilities to the department of adult institutions.

(8) Directing the organization and structure of the corrections cabinet, except as modified by Executive Order 83-67, to remain as established under KRS Chapters 196, 197, 439 and Executive Order 83-293.

Section 6. The Reviser of Statutes is directed to change the word "superintendent" to "warden" in each and every place the word appears in KRS Chapters 64, 196, 197, 431 and 440.

The Committee Amendment No. 1 to **SB 153** is as follows:

Amend printed copy of **SB 153,** page 5, after line 15, by inserting the following:

SECTION 7. A NEW SECTION OF KRS CHAPTER 196 IS CREATED TO READ AS FOLLOWS:

(1) The cabinet shall employ such personnel and operate and maintain such data collection and processing systems as are necessary to comply with the provisions of this section.

(2) The cabinet shall annually, on January 2 of each year, report to the governor and to the legislative research commission on:

(a) The placement of prisoners within the Commonwealth's correctional system by institution, whether imprisoned in a state prison or other institution, including county jails, on probation, paroled, housed in halfway houses, sentenced to community service or otherwise;

(b) Numbers of prisoners by type of offense;

(c) Numbers of prisoners by number and type of prior convictions;

(d) Numbers of prisoners paroled by type of offense and by length of time served;

(e) Numbers of prisoners released through shock probation by type of offense and by length of time served; and

(f) Numbers of prisoners serving their full sentence by type of offense.

(3) The cabinet shall annually report to the governor and to the legislative research commission on:

(a) Numbers and types of prison beds necessary to meet current population needs and five (5) year projections of such needs;

(b) Current personnel needs of the cabinet and five (5) year projections of such needs; and

(c) A five (5) year projection of needed capital construction, program development and anticipated requests for appropriations.

SB 158, AN ACT relating to the department of law.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 15 IS CREATED TO READ AS FOLLOWS:

There is hereby established within the department of law a division of special investigations.
(1) The division shall be headed by a director appointed pursuant to KRS 12.050.
(2) The duties of the division of special investigations shall be assigned to the division by the attorney general as provided for by statute.
Section 2. Executive Order 82-348 is hereby ratified by the General Assembly.

SB 163, AN ACT relating to reorganization.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The general assembly confirms the reorganization of the transportation cabinet and justice cabinet by executive order 83-68. Such confirmation includes[~~, without being limited to~~]:

(1) Transferring the division of driver licensing from the office of the secretary of the justice cabinet to the department of vehicle regulation in the transportation cabinet; and

(2) Assigning the division of driver licensing, headed by a director, responsibility for the administration and enforcement of the Kentucky driver licensing program.

The Committee Amendment No. 1 to **SB 163** is as follows:

Amend printed copy of **SB 163**, page 1, line 12 after the period by inserting the following:

Section 2. KRS 186.412 is amended to read as follows:

(1) Every person seeking a license, or a renewal of a license for the operation of a motor vehicle, motorcycle, moped or a non-driver identification card shall apply in person to the circuit court clerk of the county in which the applicant resides and shall make application upon a form furnished by the transportation cabinet. The application form shall contain and shall require the full and legal name and signature, date of birth, social security number, sex, present resident address of the applicant and briefly describe the applicant. It shall also state whether the applicant has previously been licensed as an operator and if so, when and by what state or county, whether any license has ever been canceled, suspended, revoked or refused, and if so, the date of and reason for the cancellation, suspension, revocation or refusal, and such other information as may be required.

(2) The transportation cabinet shall issue a plastic laminated operator's license bearing thereon a color photograph of the licensee, which photograph shall be taken by the circuit clerk in such a manner that one exposure will photograph the applicant and the application simultaneously, using the process determined under provisions of KRS 186.413.

(3) Every applicant shall make oath to the circuit clerk as to the truthfulness of the statements contained in the form.

(4) The clerk may, after determining that the applicant has fully complied with the law governing applications, issue a temporary operator's license to be valid for not more than ninety (90) days. Such temporary license shall be valid in lieu of the permanent license during the certification period and must be destroyed upon receipt of the permanent operator's license.

(5) Every person seeking a color photo non-driver identification card may apply in person to the circuit clerk in the county in which he resides. When requested by the clerk, a person must bring a birth certificate and social security card. The social security card must contain his signature. Every applicant shall make oath to the circuit clerk as to the truthfulness of the statements contained on the form. The clerk shall not issue a color photo non-driver identification card to any individual with a valid operator's license.

(6) Military personnel and other licensed drivers temporarily out-of-county may be issued a license without a photograph. The license shall show in the space provided for the photograph the legend "valid without photo and signature."

(7) The cabinet shall provide on each license to operate motor vehicles or motorcycles issued a space for the licensed driver's blood type*; a space for a medical insignia to be stamped with the proper insignia by the circuit court clerk, if the person provides evidence that a medical identification bracelet noting specific physical ailments or a drug allergy is being worn or other proof as may be required by the department;* and a statement whereby the owner of such license may certify in the presence of two witnesses his willingness to make an anatomical gift under KRS 311.195. *In addition, if the motor vehicle operator denotes a physical ailment or drug allergy on the license, they may apply for and shall receive, for a fee of one dollar ($1.00), a medical insignia decal which may be affixed to the lower left side of the front windshield of a motor vehicle. The applicant shall remit a fee of one dollar ($1.00) to the circuit clerk, at which time the clerk shall issue the insignia.*

The Committee Title Amendment to **SB 163** is as follows:

Amend printed copy of **SB 163**, page 1, Title line, by deleting the title and inserting in lieu thereof: AN ACT relating to driver's licensing.

SB 212, AN ACT relating to the Kentucky Shakespeare Festival.

WHEREAS, Louisville's Shakespeare in Central Park, founded in 1960 by C. Douglas Ramey, is the oldest professional theatre in Kentucky and the third oldest Shakespeare festival in the United States; and

WHEREAS, Shakespeare in Central Park has enriched the lives of citizens from throughout the Louisville area and beyond by offering free performances by well-trained and superbly talented professional actors for the past twenty-three years, playing to over 20,000 people in the 1983 season; and

WHEREAS, through this gifted body of performers, the world's greatest playwright, who was "not of an age, but for all time," continues "to make the weeper laugh, the laugher weep...catching all passions in his craft of will," and hold, to our delight, "the mirror up to nature";

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 2 IS CREATED TO READ AS FOLLOWS:

Shakespeare in Central Park of Louisville, Kentucky, is hereby designated as the Kentucky Shakespeare Festival.

SB 236, AN ACT relating to state government.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 42.016 is amended to read as follows:

The following corporate bodies and instrumentalities of the Commonwealth shall be attached to the office of the secretary for administrative purposes and staff services:

(1) Financial disclosure review commission;
(2) State property and buildings commission;
(3) Kentucky pollution abatement authority;
(4) Capital plaza authority;
(5) Kentucky savings bond authority;
(6) County officials compensation board;
(7) Kentucky public employes deferred compensation board;
(8) *Kentucky turnpike authority;*
(9) State investment commission.

Section 2. KRS 174.015 is amended to read as follows:

There is established within the cabinet a department of highways, a department of vehicle regulation, a *department of administrative services, a department of fiscal management and a department of rural and municipal aid* [~~bureau of administration and legal affairs and an office of comptroller~~], which units in addition to the office of the secretary shall constitute the major organizational units within the cabinet. Each *department* [~~bureau~~] shall be headed by a commissioner. *The commissioner of the department of highways shall be* appointed by the governor on recommendation of the secretary [~~and the office of the comptroller shall be headed by a comptroller appointed by the secretary and approved by the governor~~]. *The commissioner of the department of vehicle regulation shall be appointed by the secretary, pursuant to KRS 12.040, with approval of the governor. The commissioner of the remaining departments shall be appointed by the governor pursuant to KRS 12.040.* Each commissioner [~~and the comptroller~~] shall perform such functions, powers and duties as provided by law and as the secretary shall prescribe and shall be directly responsible to the secretary.

Section 3. KRS 174.020 is amended to read as follows:

(1) The transportation cabinet in addition to the *departments* [~~bureaus~~] set forth in KRS 174.015 shall consist of the following organizational units [~~which are hereby created or re-established~~]:

(a)[~~(1)~~] Office of the secretary of transportation comprised of the secretary of transportation, *chief* deputy secretary *(who shall also serve as commissioner of the department of highways)*, deputy secretary for legal affairs, *and a riverport and river development coordinator appointed by the secretary pursuant to KRS 12.050* [~~equal employment opportunity staff and project coordinator~~];

(b)[~~(2)~~] Railroad commission, attached to the office of the secretary for administrative purposes;

[~~(3) Office of comptroller;~~]

(c)[~~(4)~~] Kentucky housing corporation, attached to the office of the secretary for administrative purposes*;*

(d) Office of public relations, headed by an executive director who shall serve as press secretary and shall be responsible for public relations and information;

(e) Office of general counsel headed by an executive director, which shall provide legal services for the cabinet;

(f) Office of personnel management, headed by an executive director who shall be responsible for the implementation of programs and practices for the recruitment, training, utilization and management of

cabinet personnel;

(g) Office of minority affairs, headed by an executive director who shall be responsible for the development and implementation of programs and procedures for assisting minorities in employment and contractual relations with the cabinet;

(h) Office of aeronautics, headed by an executive director who shall be responsible for the administration of the Commonwealth's airport planning and development programs; and

(i) Kentucky airport zoning commission established by KRS 183.861, which shall be attached to the office of aeronautics.

(2) The executive directors of the offices of public relations, general counsel, personnel management, minority affairs and aeronautics shall be appointed by the secretary with the approval of the governor pursuant to KRS 12.050.

Section 4. KRS 174.025 is amended to read as follows:

The executive director of [~~There is established within the cabinet~~] the office of general counsel *may also serve as* [~~which shall be headed by the~~] general counsel *if so* [~~who shall be~~] appointed pursuant to KRS 12.210. The *office of* general counsel[~~, as legal counsel for the department,~~] shall be directly responsible to the [~~deputy~~] secretary [~~for legal affairs~~] and shall perform such duties as may be assigned by the [~~deputy~~] secretary [~~for legal affairs~~]. *The office shall consist of such attorney appointed pursuant to KRS 12.210 and such employes as necessary to perform the duties, responsibilities and functions of the office.*

Section 5. KRS 175.430 is amended to read as follows:

(1) The governor, the lieutenant governor, the commissioner of highways, the state highway engineer, the secretary of commerce, the secretary of transportation, and the attorney general, and their respective successors in office, shall be a body corporate and politic constituting a public corporation and governmental agency and instrumentality of the Commonwealth by the name of "The Turnpike Authority of Kentucky," with perpetual succession and with power in that name to contract and be contracted with, sue and be sued, have and use a corporate seal, and exercise, in addition to the powers and functions specifically stated in this chapter, all of the usual powers of private corporations to the extent that the same are not inconsistent with specifically enumerated powers.

(2) The members of the authority shall receive no compensation for their services in that capacity, but shall be entitled to reimbursement for all reasonable expenses necessarily incurred in connection with performance of their duties and functions as such members.

(3) Four (4) members of the authority shall constitute a quorum for the transaction of business, and in the absence of a quorum, one (1) or more members may adjourn from time to time until a quorum is convened. Each member may designate in writing a proxy for the transaction of business. Within ninety (90) days from March 25, 1960, the authority shall convene and organize. The governor shall, by virtue of his office, be the chairman of the authority and the lieutenant governor shall in like manner be the vice-chairman. The authority shall elect a secretary and a treasurer who shall not be members of the authority, each of whom shall serve at the pleasure of the authority and shall receive such compensation as may be determined by the authority with approval of the commissioner of personnel to be paid from the budgeted funds of the bureau. The treasurer shall give bond to the authority and the Commonwealth conditioned upon his faithful accounting for all funds coming into his custody from time to time, the same to be in such amount as the authority may prescribe, with corporate surety given by a surety company qualified to do business in the Commonwealth, premium therefor to be paid by the authority. The authority shall establish and maintain an office in premises which shall be provided for that purpose by the *finance and administration cabinet* [~~department of highways~~] without cost to the authority; and the secretary of the authority shall at all times maintain therein complete records of all of the authority's actions and proceedings, which shall constitute public records open to inspection at reasonable times.

Section 6. The general assembly confirms Executive Order 83-70 relating to the organization of the transportation cabinet to the extent that said order is not otherwise confirmed by this Act. Such confirmation shall include the following:

(1) Assigning the riverport and river development coordinator responsibility for promoting and developing navigation and river transportation policy and serving as liaison between the transportation cabinet, other state agencies and local and federal governments on matters pertaining to the development of waterways within Kentucky.

(2) Transferring to the office of general counsel all funds, personnel, functions and facilities previously assigned to the divisions of administrative law, hearings and legal services.

(3) Subdivision of the office of minority affairs into the following sections:

(a) Equal employment opportunity section, transferred from the office of the secretary to be responsible for handling minority employment matters; and

(b) Minority business enterprise section, to be responsible for handling contractual relationships with minority businesses, a function transferred from the office of contract management.

(4) Subdivision of the department of administrative services into the following divisions:

(a) Division of management services, transferred from the department of administration, to be responsible for formulating the cabinet's management programs, practices and procedures;

(b) Division of real property, to be responsible for the use and maintenance of the cabinet's real property;

(c) Division of service and supply, to be responsible for determining the cabinet's needs and use of properties and supplies;

(d) Division of transportation services, transferred from the department of administration, to be responsible for the development, use and maintenance of a state motor pool; and

(e) Division of purchases, transferred from the department of administration, to be responsible for the purchase of supplies, equipment and material required for the operation of the cabinet.

(5) Subdivision of the department of fiscal management into the following divisions:

(a) Division of budget, transferred from the department of financial and legal affairs, to be responsible for the formulation of the budget and disbursement of budgeted funds for the cabinet;

(b) Division of audit review, transferred from the department of financial and legal affairs, to be responsible for ensuring the proper audit of receipts and expenditures of funds by the cabinet;

(c) Division of accounts, transferred from the department for financial and legal affairs, to be responsible for the programs and practices concerning the receipts, allocation, management and disbursement of funds received by the cabinet; and

(d) Division of toll facilities, transferred from the department of administration to the department of fiscal management, to be responsible for supervising the administration of toll facilities.

(6) Transferring the administration of toll facilities to the respective highway district offices.

The Committee Amendment No. 1 to **SB 236** is as follows:

Amend printed copy of **SB 236,** page 9, line 17 and 18, by deleting said lines in their entirety and adding the following:

Section 7. The General Assembly does not confirm that portion of Executive Order 83-70 that transferred the administration of toll facilities to the respective highway district offices.

SB 265, AN ACT relating to public records.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 171.450 is amended to read as follows:

(1) The department shall establish:

(a) Procedures for the compilation and submission to the department of lists and schedules of public records proposed for disposal;

(b) Procedures for the disposal or destruction of public records authorized for disposal or destruction;

(c) Standards *and procedures* for recording, *managing, and preserving* public records and for the reproduction of public records by photographic or microphotographic process;

(d) Procedures for collection and distribution by the central depository of all reports and publications, except the Kentucky Revised Statutes editions, issued by any department, board, commission, officer or other agency of the Commonwealth for general public distribution after July 1, 1958.

(2) The department shall enforce the provisions of KRS 171.410 to 171.740 by appropriate rules and regulations.

(3) The department shall make copies of such rules and regulations available to all officials affected by KRS 171.410 to 171.740 subject to the provisions of KRS Chapter 13.

(4) Such rules and regulations when approved by the department shall be binding on all state and local agencies, subject to the provisions of KRS Chapter 13. The department shall perform any acts deemed necessary, legal and proper to carry out the duties and responsibilities imposed upon it pursuant to the authority granted herein.

SB 267, AN ACT relating to the Kentucky Model Procurement Code.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 45A.260 is amended to read as follows:

(1) Any claim arising from a construction contract executed and administered by the transportation cabinet pursuant to the provisions of KRS Chapters 175, 176, 177 and 180 shall be commenced in Franklin Circuit Court within one (1) year from the time the Commonwealth has determined final pay quantities and issues a final pay estimate to the contracting party, notifying him of its final determination, or from the receipt of a final adverse decision from the Commonwealth, whichever occurs later.

(2) Any *other* [~~such~~] claim shall be commenced in Franklin Circuit Court within one (1) year from the date of completion specified in the contract.

SB 343, AN ACT relating to absentee ballots.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 117.085 is amended to read as follows:

(1) Any qualified voter in any county who will be absent from the county on any election day or any person incarcerated in jail that has been charged for a crime but has yet to be convicted of the said crime may, at any time not less than seven (7) days before the election, make application in person or by mail to the county clerk for a special ballot, except that such application shall be restricted to the use of the voter, the voter's spouse, the voters's parents, or the voter's dependent children. The clerk shall type the name of the absent voter on the application form for that person's use and no other. The application form shall be in the form prescribed by the state board of elections, shall bear the seal of the county clerk and shall contain the following information: name, residential address, precinct, party affiliation, statement of absence on election day, statement of compliance with residency requirements for voting in said precinct, and the voter's mailing address for a special ballot. The form shall be verified and signed by the voter. A notice of the penalty provided in KRS 117.995(4) shall be printed on the application.

(2) Residents of Kentucky, who are members of the armed forces, or dependents of members of the armed forces, may apply for an absentee ballot by means of the federal post card application. Such applications may be used to register, re-register and to apply for an absentee ballot. If the federal post card application is received at any time not less than seven (7) days before the election, the county clerk shall affix his seal to such application form upon receipt.

(3) If the county clerk finds that the voter is properly registered as stated in his application, he shall [~~immediately~~] mail to the voter a special ballot, two (2) official envelopes for returning the ballot, and instructions for voting. *Special ballots which are requested prior to the printing of such ballots shall be mailed by the county clerk to the voter within three (3) days of the receipt of such ballots. Special ballots which are requested subsequent to the receipt of such ballots by the county clerk shall be mailed to the voter within three (3) days of the receipt of such request. The clerk shall cause the special ballot to be printed thirty (30) days prior to each primary or general election.* The outer envelope shall bear the words "Absent Voter's Ballot" and the address and official title of the county clerk and shall provide space for the voter's signature, voting address and precinct number. A detachable flap on the inner envelope shall provide space for the voter's signature, voting address, precinct number and notice of penalty provided in KRS 117.995(4). The clerk shall type the voter's address and precinct number in the upper left hand corner of the absent voter's outer envelope and of the detachable flap on the inner envelope immediately below the blank space for the voter's signature. The inner envelope shall be blank. The clerk shall retain the application until thirty (30) days after the election.

(4) A list of persons to whom absentee ballots are mailed shall be posted in the clerk's office, for public inspection, and a list shall be included in the supplies sent to each precinct on election day and shall be posted at the polling place throughout the voting hours on election day.

(5) Any person who has been mailed an absent voter's ballot but who shall be in his voting precinct on election day may cancel his absent ballot and vote in person if he appears at the county clerk's office at least seven (7) days prior to election day and returns his absent ballot. Upon such personal appearance of the voter, the clerk shall mark on the outer envelope of the sealed ballot or the unmarked ballot the words "Cancelled because voter appeared to vote in person." Sealed envelopes so marked shall not be opened. The clerk shall remove the voter's name from the list of persons who were sent absentee ballots, and the voter may vote in the precinct in which he is properly registered.

HR 104, A RESOLUTION amending Rule 68 of the Rules of the House of Representatives.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That Rule 68 of the Rules of the House of Representatives is hereby amended to read as follows:

Rule 68. Electrical Voting System. When the House is ready to vote upon any question requiring a roll call, and the vote is to be taken by the electrical roll call system, the Speaker shall announce:

"The question is on the passage of (designating the matter to be voted upon). All in favor of such question shall vote 'yea,' and all opposed shall vote 'nay.' The House roll is now open for voting."

The Speaker shall recognize any member who rises for the purpose of explaining his vote. No member shall be allowed to speak more than three minutes to explain his vote, and shall not speak at all if the question is not a debatable question.

While the members are voting and before the roll call system is locked the electrical voting board lights shall be turned off, and no tabulation of the voting shall be made, or any of said lights illuminated, until all have voted and the roll call system has been locked.

When sufficient time has been allowed the members to vote and to explain their vote, the Speaker shall announce: "Have all voted?" "Does anyone desire to change his vote?" And after sufficient pause shall lock the roll call system and instruct the clerk to record the vote. It shall be the responsibility of each member to determine the accuracy of his individual vote as registered opposite his name on the electrical roll call board and advise the Speaker of any desired change before the roll call system is locked.

The clerk shall immediately start the recording equipment, and when completely recorded, shall present the result to the Speaker who shall announce same to the House. The Clerk shall enter upon the Journal the result in the manner provided by the rules of the House.

At the same time the vote is recorded by the electric recording equipment an original and five duplicate roll call sheets shall be made showing the vote, two of which duplicates shall be for use of the press, and one copy shall be furnished to the Legislative Research Commission.

Section 2. The provisions of this resolution shall become effective January 1, 1986.

The Committee Substitute to **HR 104** is as follows:

HR 104, A RESOLUTION amending Rule 68 of the Rules of the House of Representatives.

WHEREAS, Kentucky's veterans have many concerns meriting legislative attention; and

WHEREAS, the present committee structure of the Kentucky General Assembly does not allow proper attention to be paid to these concerns; and

WHEREAS, the Subcommittee to Study Problems of Vietnam Veterans in Kentucky requested the Legislative Research Commission to establish a permanent committee on veterans' affairs; and

WHEREAS, Kentucky owes its veterans a debt of gratitude for service in defense of their country;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Kentucky Legislative Research Commission is requested to establish a Subcommittee on Veterans' Affairs to operate during the 1984-85 interim and present its recommendations to the Kentucky General Assembly.

Section 2. It is recommended that this subcommittee consist of three members of the House of Representatives, to be appointed by the Speaker of the House, and two members of the Senate, to be appointed by the President Pro Tempore of the Senate.

The Committee Title Amendment to **HR 104** is as follows:

Amend printed copy of **HR 104**, page 1, title, by deleting the title in its entirety and inserting in lieu thereof the following:

"A RESOLUTION requesting the Legisltaive Research Commission to establish a Subcommittee on Veterans' Affairs."

Calendar

HB 577, HB 765, SB 314, HB 482, HB 982, SB 309, HB 782, HB 957, SB 206, SB 351, SB 9, SB 67, SB 86, SB 94, SB 107, SB 134, SB 191, SB 238, SB 263, SJR 46, SJR 47, HB 932, HB 859, HB 947, and **HCR 82** taken from the Calendar and ordered read at length for the second time. Representative LeMaster moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on

Rules.

Senate Message

Announcing passage of **SB 312, SB 315, HB 334** with Senate Amendments, and **HB 581** with Senate Amendments.

Orders of the Day

SB 11, with Committee Amendments and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative T. Jones moved the adoption of the Committee Amendment No. 2 to **SB 11.** Agreed.

Representative T. Jones moved the adoption of the Committee Amendment No. 1 to **SB 11.** Agreed.

Representative T. Jones moved that **SB 11,** as amended, be passed.

On the roll call the vote was yeas 73-Arnold, Barrows, Bendl, Blandford, Blevins, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, Cowan, Craddock, Crupper, Curd, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. JOnes, T. Jones, Lefevers, LeMaster, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Perkins, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van HOrn, White, Worthington, Yates. Nays 18-Allen, Bennett, Brown, Cline, Endicott, Ford, Fryman, Gedling, Gray, Heleringer, Layman, Lile, Meyer, Moore, Noland, Pearman, Reinhardt, Turner.

SB 11, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 11,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 101 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Brinkley moved that **SB 101** be passed.

On the roll call the vote was yeas 91-Allen, Arnold, Barrows, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

SB 101 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 101** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 429, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Gray moved the adoption of the Floor Amendment No. 1 to **HB 429.** Agreed.

Representative Gray moved the adoption of the Floor Amendment No. 2 to **HB 429**.

Representative F. Smith moved that Floor Amendment No. 2 to **HB 429** be laid on the table. Rejected.

Representative Gray moved the adoption of the Floor Amendment No. 2 to **HB 429**.

On the roll call the vote was yeas 46-Arnold, Barrows, Bendl, Brinkley, Bruce, Burnette, Caldwell, Clapp, Cowan, Craddock, Curd, Cyrus, Dawahare, Deskins, Ellington, Foster, Gray, Head, Hines, Holbrook, Holloway, Kenton, Kidd, LeMaster, List, Little, Long, Lundergan, Maggard, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Overstreet, Pearman, Rapier, B. Richardson, P. Richardson, B. Smith, Stone, Thomason, Williams. Nays 49-Allen, Bennett, Blandford, Bronger, Brown, Burch, L. Clark, P. Clark, Cline, Crupper, Donnermeyer, Dunn, Endicott, Farrow, Ford, Freibert, Fryman, Gedling, Guenthner, Hancock, Handy, Harper, Heleringer, Johnson, R. Jones, T. Jones, Layman, Lefevers, Lile, Mann, McBee, Noland, O'Brien, Patrick, Perkins, Petty, Priddy, Reinhardt, Richards, Riner, Robinson, Seum, F. Smith, Stumbo, Todd, Turner, Van Horn, Worthington, Yates.

Floor Amendment No. 2 to **HB 429** was rejected.

Representative Gray moved that **HB 429,** as amended, be passed.

On the roll call the vote was yeas 46-Arnold, Bendl, Bennett, Blevins, Brinkley, Bruce, Burnette, Clapp, Craddock, Curd, Cyrus, Dawahare, Deskins, Ellington, Foster, Gray, Hancock, Head, Hines, Holbrook, Holloway, Kenton, Kidd, LeMaster, List, Little, Long, Maggard, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, Overstreet, Pearman, Priddy, Rapier, Richards, B. Richardson, B. Smith, Stone, Thomason, White, Williams. Nays 51-Allen, Barrows, Blandford, Bronger, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Donnermeyer, Dunn, Endicott, Farrow, Ford, Freibert, Fryman, Gedling, Guenthner, Handy, Harper, Heleringer, Johnson, R. Jones, T. Jones, Layman, Lefevers, Lile, Mann, McBee, Moore, Noland, O'Brien, Patrick, Perkins, Petty, Rattliff, Reinhardt, Riner, Robinson, Seum, F. Smith, Stumbo, Thomas, Todd, Turner, Van Horn, Worthington, Yates.

HB 429, as amended, was defeated.

SB 173 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Van Horn moved that **SB 173** be passed.

On the roll call the vote was yeas 91-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

SB 173 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 173** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 233 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Holbrook moved that **SB 233** be passed.

On the roll call the vote was yeas 89-Allen, Arnold, Barrows, Bendl, Bennett, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, Stone, Stumbo, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 1-Perkins.

SB 233 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 233** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 257 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Little moved that **SB 257** be passed.

On the roll call the vote was yeas 89-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

SB 257 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 257** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 987, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Hancock moved the adoption of the Floor Amendment No. 1 to **HB 987.** Agreed.

Representative Barrows moved the adoption of the Floor Amendment No. 2 to **HB 987.** Agreed.

Representative Hancock moved that **HB 987,** as amended, be passed.

On the roll call the vote was yeas 90-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, Lile, List, Little, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Seum, B. Smith, Stone, Stumbo, Thomason, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 1-Heleringer.

HB 987, as amended, was passed.

Representative Hancock moved the adoption of the Floor Title Amendment to **HB 987,** as amended. Agreed.

Representative LeMaster moved that the vote by which **HB 987,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 17, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Farrow moved that **SB 17** be passed.

On the roll call the vote was yeas 90-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 1-Crupper.

SB 17 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 17** was passed be reconsidered and said motion be placed on the table. Agreed.

HCR 89 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Noe moved that **HCR 89** be passed.

On the roll call the vote was yeas 88-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McNutt, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HCR 89 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HCR 89** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 367, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clarke moved the adoption of the Floor Amendment No. 2 to **HB 367**. Agreed.

Representative Clarke moved that **HB 367**, as amended, be passed.

On the roll call the vote was yeas 57-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Brown, Bruce, Caldwell, Clarke, Cline, Cowan, Crupper, Curd, Dawahare, Deskins, Donnermeyer, Dunn, Foster, Gedling, Hancock, Handy, Harper, Johnson, R. Jones, T. Jones, Kenton, LeMaster, List, Little, Long, Maggard, Mann, McElroy, Meyer, Moberly, Morris, Nett, Noe, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, B. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Worthington, Yates. Nays 41-Allen, Bronger, Burch, Burnette, Clapp, L. Clark, P. Clark, Craddock, Cyrus, Ellington, Endicott, Farrow, Ford, Freibert, Fryman, Gray, Guenthner, Head, Heleringer, Hines, Holbrook, Holloway, Kidd, Layman, Lefevers, Lile, Lundergan, McBee, McNutt, Noland, O'Brien, Overstreet, Pearman, Rattliff, Riner, Robinson, Seum, F. Smith, Todd, Turner, Williams.

HB 367, as amended, was passed.

Representative Clarke moved the adoption of the Floor Title Amendment to **HB 367**. Agreed.

Representative Clarke moved that the vote by which **HB 367**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 1015, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Smith moved that **HB 1015** be passed.

On the roll call the vote was yeas 91-Allen, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, Little, Lundergan, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 1015 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 1015** was passed be reconsidered and said motion be placed on the table. Agreed.

HJR 92 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative McNutt moved that **HJR 92** be passed.

On the roll call the vote was yeas 70-Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cowan, Craddock, Crupper, Curd, Donnermeyer, Dunn, Ellington, Endicott, Foster, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kidd, Layman, Lefevers, LeMaster, Lile, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Morris, Nett, O'Brien, Pearman, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, B. Smith, F. Smith, Stone, Thomas, Thomason, Turner, Williams, Worthington, Yates. Nays 16-Cline, Cyrus, Dawahare, Deskins, Farrow, Freibert, Kenton, List, Little, Moore, Noe, Overstreet, Perkins, Reinhardt, Stumbo, Van Horn.

HJR 92 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HJR 92** was passed be reconsidered and said motion be placed on the table. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 488, HB 514, HB 542, HB 543,** and **HB 558** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 3:35 p.m.)

HB 488, HB 514, HB 542, HB 543, and **HB 558** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Orders of the Day (continued)

HB 75, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Craddock moved the adoption of the Committee Amendment No. 1 to **HB 75**. Agreed.

Representative Craddock moved that **HB 75**, as amended, be passed.

On the roll call the vote was yeas 76-Allen, Bendl, Blandford, Brinkley, Brown, Bruce, Burch, Caldwell, Clapp, L. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Hines, Holbrook, Holloway, Johnson, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Long, Lundergan, Maggard, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Perkins, Petty, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, White, Worthington, Yates. Nays 13-Bennett, Bronger, Burnette, P. Clark, Cyrus, Deskins, Head, Little, Mann, McBee, F. Smith, Van Horn, Williams.

HB 75, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 75**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 107, with Committee Amendments and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Donnermeyer moved the adoption of the Floor Amendment No. 1 to **HB 107**. Agreed.

Representative Donnermeyer moved that **HB 107**, as amended, be passed.

On the roll call the vote was yeas 78-Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Gedling, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, T. Jones, Kenton, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Yates. Nays 7-Allen, Burnette, Fryman, Gray, Lefevers, Moore, Robinson.

HB 107, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 107**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 984 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Donnermeyer moved that **HB 984** be passed.

On the roll call the vote was yeas 49-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Cyrus, Donnermeyer, Dunn, Farrow, Freibert, Hancock, Handy, Hines, Johnson, R. Jones, T. Jones, Kenton, LeMaster, List, Little, Long, Maggard, Mann, Meyer, Moberly, Morris, Nett, Noe, O'Brien, Perkins, Richards, Seum, Stone, Stumbo, Thomas, Thomason, Van Horn, Williams, Yates. Nays 49-Allen, Bruce, Burnete, Clapp, Craddock, Crupper, Curd, Dawahare, Deskins, Ellington, Endicott, Ford, Foster, Fryman, Gedling, Gray, Guenthner, Harper, Head, Heleringer, Holbrook, Holloway, Kidd, Layman, Lefevers, Lile, Lundergan, McBee, McElroy, McNutt, Moore, Noland, Overstreet, Patrick, Pearman, Priddy, Rapier, Rattliff, Reinhardt, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Todd, Turner, White, Worthington.

HB 984 was defeated.

HB 221, with Committee Substitute and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Lundergan moved the adoption of the Floor Amendment No. 2 to the Committee Substitute to **HB 221**. Rejected.

Representative Lundergan moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **HB 221**.

On the roll call the vote was yeas 65-Arnold, Barrows, Bendl, Bennett, Blevins, Brinkley, Bronger, Brown, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Crupper, Curd, Deskins, Dunn, Ellington, Endicott, Farrow, Ford, Fryman, Gedling, Gray, Handy, Head, Hines, Johnson, Kenton, Kidd, Layman, Lile, Little, Lundergan, Maggard, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Perkins, Priddy, Rapier, B. Richardson, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Van Horn, White, Worthington, Yates. Nays 20-Allen, Blandford, Burch, Clarke, Craddock, Donnermeyer, Foster, Freibert, Hancock, Harper, Holbrook, T. Jones, Lefevers, Long, Mann, Rattliff, Richards, Robinson, Turner, Williams.

Floor Amendment No. 1 to the Committee Substitute to **HB 221** was adopted.

Representative Lundergan moved the adoption of the Committee Substitute to **HB 221**. Agreed.

Representative Lundergan moved that **HB 221**, by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 83-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burnette, Caldwell, L. Clark, P. Clark, Cline, Cowan, Crupper, Curd, Cyrus, Deskins, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 9-Clarke, Craddock, Donnermeyer, Hancock, T. Jones, Mann, Petty, Robinson, Williams.

HB 221, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 221**, by way of Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 722, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Bendl moved the adoption of the Committee Amendment No. 1 to **HB 722**. Agreed.

Representative Bendl moved that **HB 722**, as amended, be passed.

On the roll call the vote was yeas 81-Bendl, Bennett, Blandford, Blevins, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Gedling, Gray, Hancock, Handy, Harper, Head, Hines, Holloway, Johnson, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, O'Brien, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 2-Fryman, Rattliff.

HB 722, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 722**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 724 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Bendl moved that **HB 724** be passed.

On the roll call the vote was yeas 77-Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Freibert, Gray, Guenthner, Hancock, Handy, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, O'Brien, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Van Horn, Williams, Worthington, Yates. Nays 13-Allen, Ellington, Endicott, Foster, Fryman, Gedling, Harper, Moore, Noland, Pearman, B. Richardson, Robinson, Turner.

HB 724 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 724** was passed be reconsidered and said motion be placed on the table. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 327** had been examined and found correctly enrolled. Said Bill read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 4:17 p.m.)

Orders of the Day (continued)

HCR 110, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Harper moved the adoption of the Committee Amendment No. 1 to **HCR 110.** Agreed.

Representative Harper moved that **HCR 110,** as amended, be passed.

On the roll call the vote was yeas 96-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HCR 110, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HCR 110,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 259 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Richards moved that **SB 259** be passed.

On the roll call the vote was yeas 89-Allen, Barrows, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Craddock, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

SB 259 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 259** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 292 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Richards moved that **SB 292** be passed.

On the roll call the vote was yeas 93-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noland, O'Brien, Overstreet, Patrick, Pearman, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 1-Perkins.

SB 292 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 292** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 152, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Dunn moved that **SB 152** be passed.

Representative Farrow moved the adoption of the Floor Amendment No. 1 to **SB 152.** Agreed.

Representative Dunn moved that **SB 152**, as amended, be passed.

On the roll call the vote was yeas 88-Allen, Arnold, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Clapp, L. Clark, P. Clark, Cline, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kidd, Layman, Lefevers, LeMaster, Lile, List, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 4-Barrows, Bendl, Clarke, Moberly.

SB 152, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 152**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Speaker Pro Tempore Blandford presiding.

HB 917 taken from Orders of the Day and ordered read at length for the third time. Representative

LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative R. Jones moved that **HB 917** be passed.

On the roll call the vote was yeas 93-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 917 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 917** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 438, with Committee Substitute and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Donnermeyer moved the adoption of the Committee Substitute to **HB 438.** Agreed.

Representative Donnermeyer moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **HB 438.** Agreed.

Representative Donnermeyer moved that **HB 438,** by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 36-Arnold, Barrows, Bendl, Bennett, Blandford, Brinkley, Caldwell, Clapp, Clarke, Donnermeyer, Dunn, Foster, Hancock, Handy, Harper, Hines, Johnson, T. JOnes, Kidd, LeMaster, Little, Mann, McElroy, Meyer, Noe, Perkins, Petty, Priddy, Rappier, Reinhardt, Richards, B. Smith, Stone, Thomas, Thomason, Williams. Nays 51-Allen, Blevins, Bronger, Brown, Bruce, Burch, Burnette, L. Clark, P. Clark, Cline, Cowan, Craddock, Curd, Cyrus, Dawahare, Ellington, Endicott, Farrow, Ford, Freibert, Fryman, Gedling, Gray, Holbrook, Holloway, R. Jones, Kenton, Layman, Lefevers, Lile, List, Long, Maggard, McBee, McNutt, Moberly, Noland, O'Brien, Overstreet, Patrick, Pearman, Rattliff, Riner, Robinson, F. Smith, Stumbo, Todd, Turner, Van Horn, Worthington, Yates.

HB 438, by way of Committee Substitute as amended, was defeated.

HB 900, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Lundergan moved the adoption of the Committee Amendment No. 1 to **HB 900.** Agreed.

Representative Lundergan moved that **HB 900,** as amended, be passed.

Representative Pearman moved the adoption of the Floor Amendment No. 2 to **HB 900.**

On the roll call the vote was yeas 41-Arnold, Barrows, Brinkley, Brown, Caldwell, Clapp, Craddock, Cyrus, Foster, Freibert, Gray, Hancock, Harper, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Layman, LeMaster, Lile, List, Little, Long, Mann, McBee, McElroy, Meyer, Moore, Noe, Patrick, Pearman, Petty, Priddy, Rattliff, Reinhardt, Richards, Stone, Stumbo, Thomason, Turner. Nays 42-Bennett, Bronger, Bruce, Burch, Burnette, L. Clark, P. Clark, Cline, Cowan, Curd, Dawahare, Donnermeyer, Dunn, Ellington, Farrow, Ford, Fryman, Gedling, Guenthner, Handy, Head, Heleringer, Hines, Kenton, Kidd, Lefevers, Lundergan, Maggard, McNutt, Moberly, Overstreet, Perkins, Rapier, Riner, Robinson, Seum, F. Smith, Van Horn, White, Williams, Worthington, Yates.

Floor Amendment No. 2 to **HB 900** was rejected.

Representative Lundergan moved that **HB 900,** as amended, be passed.

On the roll call the vote was yeas 84-Arnold, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Nett, Noland, O'Brien, Overstreet, Patrick, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Yates. Nays 9-Barrows, Caldwell, Cline, Foster, Johnson, Lile, Noe, Pearman, Robinson.

HB 900, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 900,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 123, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment to **HB 123** is as follows:

Amend printed copy of **HB 123** as follows:

Page 1, lines 9 to 12 by deleting same and inserting in lieu thereof "(1) *"Corporation" means the Kentucky Housing Corporation; (2) "Executive Director" means the executive director of the Kentucky Housing Corporation*"; and

Page 7, line 2, by deleting "*the department of economic development*" and inserting in lieu thereof "*the Kentucky Housing Corporation*"; and

Page 10, line 14, by deleting "*commissioner*" and inserting in lieu thereof "*executive director*"; and on

Page 10, line 18, by deleting "*commissioner*" and inserting in lieu thereof "*executive director*"; and on

Page 10, line 22 by deleting "*commissioner*" and inserting in lieu thereof "*executive director*"; and on

Page 11, line 4 by deleting "*commissioner*" and inserting in lieu thereof "*executive director*"; and on

Page 11, line 11 by deleting "*commissioner*" and inserting in lieu thereof "*executive director*"; and on

Page 11, line 21 by deleting "*commissioner*" and inserting in lieu thereof "*executive director*";

And on page 12, line 1, by deleting "from participating local government,";

And on page 12, lines 4 and 5 by deleting "*commissioner*" and inserting in lieu thereof "*executive director.*"

Representative Meyer moved that the House concur in the Senate Amendment to **HB 123**. Agreed.

Representative Meyer moved that **HB 123,** as amended, by the Senate, be passed.

On the roll call the vote was yeas 71-Arnold, Barrows, Bendl, Bennett, Blevins, Brinkley, Bronger, Burch, Caldwell, Clapp, L. Clark, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Gedling, Gray, Guenthner, Handy, Harper, Head, Hines, Holloway, Johnson, R.

Jones, T. JOnes, Kenton, Kidd, Lefevers, Lile, List, Little, Long, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Nett, Noe, O'Brien, Patrick, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, White, Williams, Worthington. Nays 6-Clarke, Ellington, Freibert, Holbrook, Pearman, Turner.

HB 123, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 123**, as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 87 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Petty moved that **SB 87** be passed.

On the roll call the vote was yeas 70-Arnold, Bennett, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Clapp, L. Clark, Cline, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Ford, Foster, Fryman, Gedling, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, List, Little, Maggard, Mann, McBee, McElroy, Meyer, Moberly, Nett, Noe, Noland, O'Brien, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Yates. Nays 12-Clarke, Cowan, Farrow, Freibert, Guenthner, Lile, Long, McNutt, Moore, Overstreet, Pearman, Turner.

SB 87 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 87** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 157, with Senate Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 1 to **HB 157** is as follows:

Amend printed copy of **HB 157** as follows:

On page 1, line 1, by deleting "*(1)*";

And on line 9, by deleting the colon after the word "*months*" and inserting after the word "*months*" the following: "*has received a citation from the cabinet for human resources under state law for a type A violation and paid a fine for a type A violation.*";

And by deleting lines 10 through 21 in their entirety;

And on page 2, by deleting lines 1 through 10 in their entirety.

The Senate Amendment No. 2 to **HB 157** is as follows:

Amend printed copy of **HB 157** as follows:

On page 2, following line 10, by inserting the following new language:

"Section 2. KRS 216B.025 is amended to read as follows:

(1) There is hereby created the Kentucky health facilities and health services certificate of need and licensure board consisting of sixteen (16) members, to be appointed by the governor, for the purpose of carrying out the duties prescribed in this chapter. The board shall be appointed as follows: two (2) members from the Kentucky Hospital Association, two (2) members from the Kentucky Medical Association, *one (1) member* [~~two (2) members~~] from the Kentucky Association of Health Care Facilities, one (1) member from the Kentucky Nurses Association, one (1) member from the *Kentucky Primary Care Association* [~~Kentucky Dental Association~~], one (1) member from the Kentucky Pharmacists Association, and four (4) members who are consumers with an interest in education, rehabilitation, mental health, home care programs, or

ambulatory care services and *four (4)* [~~three (3)~~] members who are consumers not associated with any health facilities or delivery of health services. The aforesaid associations shall nominate three (3) persons for each appointment to be made. The state health planning council shall nominate *four (4)* [~~three (3)~~] persons for each of the consumer positions. The governor shall appoint a chairman from the consumer members of the board. Members of the board shall serve for a term of four (4) years. In the event of a vacancy the person appointed shall serve only for the remaining portion of the vacated term. All members shall serve until such time as their successors are qualified and appointed.

(2) Board members shall receive fifty dollars ($50.00) per day for each day spent in active board duty and shall be reimbursed for allowable expenses for each day spent in active board duty.

(3) No person shall serve as a member of the board if he concurrently is a member of the board of a local health planning agency or a member of the state health planning council.

(4) A majority of the board members shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power of the board. No vacancy in the board shall impair the right of the remaining members to exercise all of the powers of the board.

(5) No member of the board may, in the exercise of any function described in this chapter, vote on any matter before the board respecting any applicant, licensee or holder of a certificate of need with which such member has or, within the twelve (12) months preceding the vote, had any substantial ownership, employment, medical staff, fiduciary, contractual, creditor, or consultative relationship. A member who has or has had such a relationship with the applicant, licensee or holder of a certificate of need involved in a matter before the board shall make a written disclosure of the relationship before any action is taken by the board, and such disclosure shall become part of the record of the proceeding."

The Senate Amendment No. 3 to **HB 157** is as follows:

Amend printed copy of **HB 157** as follows:

On page 2, line 10, by adding the following:

Section 2. KRS 216B.105 is amended to read as follows:

(1) Unless otherwise provided in this chapter, no person shall operate any health facility in this Commonwealth without first obtaining a license issued by the board which license shall specify the kind or kinds of health services the facility is authorized to provide. A license shall not be transferable and shall be issued for a specific location and, if specified, a designated geographical area. *Provided, however, any person, firm or corporation desiring to operate an adult congregate living facility consisting of any building or buildings, section of a building, or distinct part of a building, residence or other place, whether operated for profit or not, which undertakes through its ownership or management to provide, for a period exceeding twenty-four (24) hours, housing, food service, and one or more personal services for four or more adults requiring such services may be licensed upon application therefor in a manner complying with the minimum requirements for licensure of a personal care home.*

(2) The board shall have the authority to deny, revoke, modify or suspend a license in any case in which it finds that there has been a substantial failure to comply with the provisions of this chapter or the rules and regulations promulgated hereunder. Such denial, revocation, modification, or suspension shall be effected by mailing to the applicant or licensee, by certified mail, a notice setting forth the particular reasons for such action. Such denial, revocation, modification, or suspension shall become final and conclusive thirty (30) days after notice is given unless the applicant or licensee, within said thirty (30) day period, shall file a request in writing for a hearing.

(3) The hearing shall be before the board, or at the request of the chairman, by a hearing officer designated by the secretary.

(4) If the hearing is before a designated hearing officer, within thirty (30) days from the conclusion of the hearing, the hearing officer shall transmit his findings and recommendations to the board, with a synopsis of the evidence contained in the record and a statement of the basis of his findings. The applicant or licensee shall be entitled to be represented at the hearing in person or by counsel, or both, and shall be entitled to introduce testimony by witnesses or, if the board so permits, by depositions. A full and complete record shall be kept of all hearings, and all testimony shall be reported but need not be transcribed unless the decision is appealed pursuant to this chapter. The board may adopt the hearing officer's findings and recommendations or prepare written findings of fact and state the basis for its decision which shall become part of the record of the proceedings.

(5) All decisions revoking, suspending, modifying or denying licenses shall be made by the board in writing and shall be recorded in the minutes of the board. The board shall notify the applicant or licensee of the decision.

(6) The decision of the board shall be final for purposes of judicial appeal upon notice of the board's decision.

Representative Bendl moved that the House refuse to concur in the Senate Amendment No. 1 to **HB 157**. Agreed.

Representative Bendl moved that the House refuse to concur in the Senate Amendment No. 2 to **HB 157**.

On the roll call the vote was yeas 45-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Brown, Burch, L. Clark, P. Clark, Cowan, Craddock, Donnermeyer, Dunn, Gray, Hancock, Handy, Hines, Johnson, T. Jones, Kenton, LeMaster, Lile, List, Long, Mann, McBee, Meyer, Moberly, Nett, Noe, O'Brien, Pearman, Perkins, Petty, Priddy, Richards, F. Smith, Stone, Stumbo, Thomas, White, Williams, Yates. Nays 46-Allen, Bronger, Burnette, Caldwell, Cline, Crupper, Curd, Cyrus, Dawahare, Deskins, Ellington, Endicott, Farrow, Ford, Foster, Fryman, Gedling, Guenthner, Harper, Head, Heleringer, Holbrook, Holloway, R. Jones, Layman, Lefevers, Little, Maggard, McElroy, McNutt, Moore, Morris, Noland, Overstreet, Rapier, Rattliff, Reinhardt, P. Richardson, Riner, Robinson, Seum, Thomason, Todd, Turner, Van Horn, Worthington.

The motion that the House refuse to concur in the Senate Amendment No. 2 to **HB 157** was rejected.

Representative Bendl moved that the House refuse to concur in the Senate AMendment No. 3 to **HB 157**. Rejected.

Representative Bendl moved that the House concur in the Senate Amendment No. 2 to **HB 157**.

The Chair ruled Senate Amendment No. 2 and Senate Amendment No. 3 to **HB 157** have been concurred in by the House. The House refused to concur in the Senate Amendment No. 1 to **HB 157**.

HB 196, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment to **HB 196** is as follows:

Amend printed copy of **HB 196** as follows:

On page 1, line 17, following "evidence" by inserting "*Said examination shall include, but not be limited to:*

(a) Basic emergency room treatment and evidence gathering services; and

(b) Laboratory cultures and tests, as appropriate, to test for venereal disease of the victim."

And on page 2, line 10, following "*regulation*" by inserting "*The state shall reimburse the hospital its reasonable, usual, and customery charges, according to its current approved schedule for each of the services provided pursuant to subsection (2) of this section.*"

Representative Long moved that the House concur in the Senate Amendment to **HB 196**. Agreed.

Representative Long moved that **HB 196**, as amended by the Senate, by passed.

On the roll call the vote was yeas 82-Arnold, Bendl, Bennett, Blevins, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, White, Williams, Yates. Nays 0.

HB 196, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 196**, as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 284, with Senate Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed.

The Senate Amendment No. 1 to **HB 284** is as follows:

Amend printed copy of **HB 284,** page 7, after line 24 by adding the following:

"Section 5. KRS 262.700 is amended to read as follows:
Subdistricts of a soil conservation district may be formed in a watershed area, as provided in [~~Section 2 of this Act and~~] KRS 262.700 to 262.795, to be known as watershed conservancy districts, for the purpose of developing and executing plans and programs relating to any phase of conservation of water, water usage, flood prevention, flood control, erosion prevention and control of erosion, floodwater and sediment damages. As a subdistrict of a soil conservation district, a watershed conservancy district shall constitute a governmental subdivision of the state and a public body corporate and politic exercising public power.

Section 6. KRS 262.750 is amended to read as follows:
(1) Bonds authorized by KRS 262.745 shall not be issued until proposed by order or resolution of the board of directors, specifying the purpose for which the funds are to be used and the proposed undertaking, the amount of bonds to be issued, the rate of interest they are to bear and the amount of any necessary tax levy authorized in KRS 262.760 to establish a sinking fund for the liquidation of bonds as provided in KRS 262.760. Copy of the order or resolution shall be certified to the board of supervisors.
(2) The board of supervisors shall conduct a hearing on such proposal after notice given pursuant to KRS 262.010(4). If it appears that the proposal is within the scope and purpose of KRS 262.700 to 262.795 and meets all other requirements of the law, the proposal shall be submitted to the landowners of the district by referendum under supervision of the board of supervisors.
(3) Provisions of KRS *262.725, 262.730 and* 262.740 as to notice, qualifications of voters, absentee voting and manner of holding referendum election in organizing a watershed conservancy district shall apply to the referendum held under this section.
(4) If two-thirds (2/3) of the landowners voting favor the proposal, subject to the provisions of KRS 66.210, such bonds may be issued.

Section 7. KRS 262.780 is amended to read as follows:
(1) Any one or more owners of land may petition the board of supervisors to have their lands added to a watershed conservancy district. Such petition shall define the boundaries of the land desired to be annexed, the number of acres of land involved, and other information pertinent to such proposal. When the boundary described embraces lands of others than the petitioners, the petition shall so state and shall be signed by twenty-five (25) or more of the landowners in the territory described, if fifty (50) or more such owners are involved, or by a majority if less than fifty (50) landowners are involved.
(2) Within thirty (30) days after such petition is filed, the board shall cause due notice to be given, as provided in KRS 262.010 (4), of a hearing on such petition. All interested parties shall have a right to attend such hearing and be heard. The board shall determine whether the lands described in the petition or any portion thereof shall be included in the district. *If all the landowners in the territory involved are not petitioners, a referendum shall be held within such territory as provided in KRS 262.725, 262,730 and 262.735, before making a final determination.* If all the landowners in the territory involved are not petitioners, a referendum shall be held within such territory as provided in KRS 262.725, 262.730 and 262.735, before making a final determination. If it is determined that such land should be added, this fact shall be certified by the board of supervisors to the county clerk in the county or counties involved. After recording, the certification shall be filed with the state soil conservation commission.

SECTION 8. A NEW SECTION OF KRS CHAPTER 54 IS CREATED TO READ AS FOLLOWS:

The provisions of KRS 337.505 to 337.550 shall not apply to districts as defined in KRS 65.060.

Section 9. The repealers in **HB 36,** page 38, lines 10 through 23 by which KRS 262.707, 262.710, 262.715, 262.720, 262.725, 262.730, and 262.735 were repealed are hereby repealed."

The Senate Amendment No. 2 to **HB 284** is as follows:

Amend printed copy of Senate Committee Amendment No. 1 to **HB 284** as follows:

On page 6, lines 1 through 4 of the Committee Amendment by deleting lines 1 through 4 (Section 8) in their entirety; and

On page 6, line 5 by renumbering "Section 9" as "Section 8."

Representative Long moved that the House concur in the Senate Amendment No. 1 to **HB 284.** Agreed.

Representative Long moved that the House concur in the Senate Amendment No. 2 to **HB 284.** Agreed.

Representative Long moved that **HB 284,** as amended by the Senate, be passed.

On the roll call the vote was yeas 79-Arnold, Barrows, Bendl, Blevins, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, Little, Long, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington. Nays 2-Bennett, Maggard.

HB 284, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 284,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

The Speaker resumed the Chair.

HB 310, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment to **HB 310** is as follows:

Amend printed copy of **HB 310** as follows:

On page 16, line 2 after "(4)" by inserting "*Except as provided in subsection (5) of this section,*"; and

On page 16, after line 9 by adding the following: "*(5) Effective January 6, 1986, the salary for jailers in any county where there is no jail and the jailer does not transport prisoners shall be twelve thousand dollars ($12,000) per year.*

Section 15. KRS 441.017 is amended to read as follows:

(1) For the purpose of raising the level of competence of jailers and jail personnel, the cabinet shall maintain a local corrections training program to provide training for jailers and jail personnel consistent with the standards promulgated pursuant to KRS 441.011 and shall keep records of jailers and jail personnel who satisfactorily complete basic and annual continuing education. A curriculum advisory committee composed of jailers, their representatives and recognized professionals in the field of jail administration shall advise the cabinet concerning the training needs of jailers and jail personnel.

(2) Beginning in August, 1982 each jailer shall receive an expense allowance to help defray the costs of his and his staff's participation in the local corrections training program. The expense allowance shall be in the amount of three hundred dollars ($300) per month payable out of the state treasury, provided, however, that such payments shall be discontinued if the jailer fails to complete basic training within one (1) year of taking office. Thereafter, expense allowance payments shall be discontinued if the jailer fails to satisfactorily complete annual continuing training. Expense allowance payments shall be resumed following a discontinuance for failure to satisfactorily complete basic or annual training only upon the jailer's satisfactory completion of such training.

(3) The allowance authorized in subsection (2) of this section shall be considered as operating expenses of the jailer's office and shall not be considered as part of his compensation. Jailers shall not be required to keep records verifying the expenditures from the allowance provided by the state.

(4) In any county where there is no jail and the jailer does not transport prisoners, the jailer shall not

participate in the local corrections training program nor shall he receive an expense allowance pursuant to this section.

Representative Farrow moved that the House concur in the Senate Amendment to **HB 310**. Agreed.

Representative Farrow moved that **HB 310**, as amended by the Senate, be passed.

On the roll call the vote was yeas 64-Arnold, Barrows, Bendl, Blevins, Bruce, Burch, Burnette, Caldwell, L. Clark, Clarke, Cline, Cowan, Curd, Dawahare, Deskins, Dunn, Ellington, Farrow, Foster, Freibert, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Morris, Nett, O'Brien, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, Riner, Robinson, Seum, B. Smith, F. Smith, Stumbo, Thomas, Thomason, Van Horn, Williams, Worthington. Nays 14-Allen, Bennett, Brinkley, Endicott, Ford, Fryman, Layman, Lile, Noland, Overstreet, Pearman, Stone, Todd, Turner.

HB 310, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 310**, as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 330, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment to **HB 330** is as follows:

Amend printed copy of **HB 330** as follows:

On page 1, line 17, by inserting after the word "land." the following section:

"Section 2. KRS 150.990 is amended to read as follows:

(1) Each bird, fish or animal taken, possessed, bought, sold or transported and each device used or possessed contrary to the provisions of this chapter or any regulation adopted by the commissioner thereunder shall constitute a separate offense. The penalties prescribed in this section shall be for each offense.

(2) Any person who violates any of the provisions of this chapter or any regulations adopted by the commission hereunder, for which no definite fine or imprisonment is fixed, shall be fined not less than fifteen dollars ($15.00) nor more than one hundred dollars ($100).

(3) Any person who violates any of the provisions of subsection (3) of KRS 150.090, subsections (1) and (2) of KRS 150.180, 150.300, 150.330, subsection (2) of KRS 150.360, 150.485 or 150.600 shall be fined not less than twenty-five dollars ($25.00) nor more than two hundred dollars ($200) or imprisoned for not more than six (6) months, or both.

(4) Any person who violates any of the provisions of KRS 150.460 shall be fined not less than one hundred dollars ($100) nor more than five hundred dollars ($500), or imprisoned for not more than six (6) months, or both, and in addition to such penalties shall be liable to the department in an amount reasonably necessary to restock such fish or replenish such other wildlife which has been killed or destroyed.

(5) Any licensee who violates any provisions of this chapter or any regulations adopted by the commissioner thereunder shall, in addition to the penalties provided in subsections (2), (3) and (4) of this section, forfeit his license and shall not be permitted to purchase another license for the same calendar year.

(6) Any county clerk, deputy clerk or agent who knowingly makes a false entry upon a license record or report, in violation of subsection (2) of KRS 150.190 shall be fined not less than one hundred dollars ($100) nor more than five hundred dollars ($500).

(7) Any person who violates the provisions of KRS 150.390(1), (2), (3) or (4) shall be fined not less than one hundred dollars ($100), nor more than five hundred dollars ($500).

(8) Any person who violates the provisions of KRS 150.390(5), 150.690 or 150.700 shall be fined not less than three hundred dollars ($300) nor more than one thousand dollars ($1,000), or imprisoned for not less than thirty (30) days nor more than one (1) year, or both.

(9) Any person who violates the provisions of KRS 150.390(5) shall, in addition to the penalties prescribed in subsection (8) of this section, forfeit his hunting license and shall not be permitted to apply nor be issued a hunting permit for a period of one (1) to three (3) years and in addition shall be liable to the department in an amount reasonably necessary to replace any deer or wild turkey taken in violation of KRS 150.390(5).

(10) Any person who violates KRS 150.525 shall be fined not less than twenty-five dollars ($25.00), nor more than two hundred dollars ($200) or imprisoned for not more than six (6) months, or both.

(11) Any person who violates any regulation which has been or may be hereafter adopted by the commission under any provisions of this chapter or which is adopted to supplement, explain, carry out or limit any provision of this chapter, shall be subject to the same penalty as is provided for the violation of any provisions of this chapter under which the regulation is adopted or which the regulation supplements, explains, carries out or limits.

(12) Any person violating the provisions of subsection (1) of KRS 150.670, shall be fined not less than fifteen dollars ($15.00) nor more than one hundred dollars ($100).

(13) Any nonresident who violates KRS 150.235, subsection (2) or (3), shall be fined not less than fifty dollars ($50.00) nor more than two hundred dollars ($200).

(14) No fines, penalty, or judgment assessed or rendered under this chapter shall be suspended, reduced or remitted otherwise than expressly provided by law.

(15) Any person who violates any provision of KRS 150.183 shall be fined not less than one hundred dollars ($100) nor more than five hundred dollars ($500) for each violation.

(16) Any holder of a commercial fishing license who violates any statute or regulation relating to the taking of fish by linear net or nets and any person, who without a commercial fishing license, takes fish or attempts to take fish by linear net or nets shall be fined not less than three hundred dollars ($300) nor more than one thousand dollars ($1,000), or imprisoned for not less than thirty (30) days nor more than one (1) year, or both."

Representative Farrow moved that the House concur in the Senate Amendment to **HB 330.** Agreed.

Representative Farrow moved that **HB 330,** as amended by the Senate, be passed.

On the roll call the vote was yeas 65-Arnold, Barrows, Bennett, Blandford, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Curd, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, Meyer, Moberly, Morris, Nett, O'Brien, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Seum, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner. Nays 22-Allen, Blevins, Brinkley, Cline, Craddock, Crupper, Dawahare, Endicott, Fryman, Gedling, Layman, McNutt, Noland, Overstreet, Patrick, Pearman, Perkins, Robinson, Todd, Van Horn, White, Worthington.

HB 330, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 330,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 610, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment to **HB 610** is as follows:

Amend printed copy of **HB 610** as follows:

On page 1, line 7, after the word "*antennae*" by inserting the words "*or farm equipment*"; and

On page 1, line 21, after the word "trailer" by inserting the word "*, farm equipment*"

Representative LeMaster moved that the House concur in the Senate Amendment to **HB 610**. Agreed.

Representative LeMaster moved that **HB 610,** as amended by the Senate, be passed.

On the roll call the vote was yeas 73-Allen, Arnold, Bendl, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Dawahare, Deskins, Donnermeyer, Dunn, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, Kenton, Kidd, Layman, Lefevers, Lile, List, Long, Maggard, McBee, McElroy, McNutt, Meyer, Moore, Morris, O'Brien, Overstreet, Patrick, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Seum, B. Smith, Stone, Stumbo, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 5-Ellington, Endicott, Farrow, T.

Jones, Pearman.

HB 610, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 610**, as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 26, with Senate Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 1 to **HB 26** is as follows:

Amend printed copy of **HB 26** as follows:

On page 3, after line 26, by adding the following: *The nine hundred fifty thousand dollars ($950,000) appropriated in each fiscal year of the biennium shall represent a maximum appropriation. In the event that revenues produced by the increase in fees provided by Section 2(1)(b) of this Act are less than anticipated, the appropriation shall be adjusted quarterly by the Department of Revenue based upon its projections.*

The SEnate Amendment No. 2 to **HB 26** is as follows:

Amend printed copy of **HB 26** as follows:

By amending the title to read as follows: AN ACT to authorize the Department for Libraries and Archives to administer a program for public records management, to provide for adequate revenue, and making an appropriation therefor.

Representative T. Jones moved that the House concur in the Senate Amendment No. 1 to **HB 26**. Agreed.

Representative T. Jones moved that the House concur in the Senate Amendment No. 2 to **HB 26**. Agreed.

Representative T. Jones moved that **HB 26**, as amended by the Senate, be passed.

On the roll call the vote was yeas 68-Arnold, Barrows, Bendl, Blevins, Brinkley, Bronger, Burch, L. Clark, Cline, Cowan, Craddock, Crupper, Curd, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Ford, Foster, Freibert, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, Meyer, O'Brien, Perkins, Petty, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, Riner, Robinson, Seum, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Worthington, Yates. Nays 15-Allen, Bennett, Bruce, Caldwell, Endicott, Farrow, McNutt, Moore, Morris, Noland, Patrick, Pearman, P. Richardson, Todd, Turner.

HB 26, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 26**, as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 240, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment to **HB 240** is as follows:

Amend printed copy of **HB 240** on page 2, line 5, by inserting after "*year*" the following: "*, and the first vote shall not occur until after July 1, 1985*";

And on page 9, line 16, by inserting after "*year*" the following: "*, and the first vote shall not occur until after July 1, 1985*";

And on page 11, line 26, by inserting after "*year*" the following: "*, and the first vote shall not occur until after July 1, 1985.*"

Representative Holbrook moved that the House concur in the Senate Amendment to **HB 240**. Agreed.

Representative Holbrook moved that **HB 240,** as amended by the Senate, be passed.

On the roll call the vote was yeas 81-Allen, Arnold, Barrows, Bennett, Blevins, Brinkley, Bronger, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McNutt, Meyer, Moberly, Moore, Morris, Noland, O'Brien, Overstreet, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomason, Todd, Turner, White, Williams, Yates. Nays 1-Van Horn.

HB 240, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 240,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 571, with Senate Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 1 to **HB 571** is as follows:

Amend printed copy of **HB 571,** page 4, after line 12, by adding the following language:

"Section 2. KRS 424.240 is amended to read as follows:
Immediately following the adoption of an annual budget by any *county or* city other than one of the first class, the *county or* city clerk shall cause a summary of the budget or the text of the budget ordinance to be advertised for the *county or* city by publication in a newspaper."

The Senate Amendment No. 2 to **HB 571** is as follows:

Amend printed copy of **HB 571,** page 2, line 7 after the period "." by inserting the following:

"*A newspaper meeting all the criteria to be of regular issue, except publication in the area for the immediately preceding two-year period, shall be deemed to be of regular issue if it is the only paper in the publication area and has a paid circulation equal to at least ten percent (10%) of the population of the publication area.*"

Representtive Long moved that the House concur in the Senate Amendment No. 1 to **HB 571**. Agreed.

Representative Long moved that the House concur in the Senate Amendment No. 2 to **HB 571.** Agreed.

Representative Long moved that **HB 571,** as amended by the Senate, be passed.

On the roll call the vote was yeas 64-Arnold, Barrows, Bendl, Blevins, Brinkley, Bronger, Burch, Caldwell, L. Clark, Clarke, Cline, Cowan, Curd, Donnermeyer, Dunn, Ellington, Freibert, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Noe, Noland, O'Brien, Patrick, Perkins, Petty, Rapier, Reinhardt, Richards, B. Richardson, Riner, Robinson, Seum, F. Smith, Stone, Stumbo, Thomason, Turner, Williams, Yates. Nays 15-Allen, Bennett, Bruce, Crupper, Dawahare, Farrow, Ford, Foster, Fryman, T. Jones, Overstreet, Pearman, P. Richardson, Van Horn, White.

HB 571, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 571,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

Motions, Petitions, and Communications

Representative LeMaster moved that the posting requirement be waived on **SB 294** and **SB 282.** Agreed.

Representative LeMaster moved that the rules be suspended for Introduction of Resolutions and Report of Committees. Agreed.

Introduction of Resolutions

HR 137, by Representative Worthington: A RESOLUTION honoring the 100 year anniversary of the Scott United Methodist Church of Maysville, Kentucky.

HR 138, by Representative Richards: A RESOLUTION recognizing the merit of the Kentucky Coalition for Literacy and supporting the efforts of the Kentucky Department of Libraries and Archives and the Kentucky Department of Education for their initiation of this coordinating service to the citizens of Kentucky involved in the development and expansion of programs assisting our functionally illiterate population.

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bills and Resolutions have been posted for Committee consideration:

Appropriations and Revenue: **SB 19, SB 205, SB 219, SB 226, SB 247, SB 261, SB 282, SB 287, SB 294, SB 249.**

State Government: **SB 404, SB 69, HCR 131, SJR 60, SCR 78, SB 352, SB 415, SB 414.**

Energy: **SB 371, SB 372.**

Banking and Insurance: **SB 391, SB 388, SB 311.**

Motions, Petitions, and Communications (continued)

Representative LeMaster moved the adoption of Legislative Citation No. 124. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby commends you, William R. Birdwell, Superintendent of Bourbon County Schools, for capturing the prestigious F. L. Dupree Award in honor of your creative educational administration. The Dupree Award, the highest state honor bestowed upon an administrator, is presented annually to the superintendent judged to have displayed the highest level of creative administration. You were nominated by the Bourbon County Board of Education, which cited your numerous contributions to the system since you became superintendent in 1976. Your accomplishments in administration, cited in the nomination document, include successful programs in computer education, drug education, Dollars for Scholars, alternate school and home-based head start. Your contribution to Bourbon County's educational program is most admirable and your leadership and influence is far reaching and most creditable. As an educator you have influenced thousands of young people and have shared generously of your knowledge, time, resources, and experiences for which we are sincerely grateful.

This honorable body applauds your superb professionalism and commends you for your fortitude and dedication. (Sponsored by Representative LeMaster)

Representative F. Smith moved that the vote by which **SB 215** was defeated be reconsidered. Rejected.

Representative T. Jones moved the adoption of Legislative Citation No. 125. Agreed.

The House of Representatives of the Commonwealth of Kentucky recognizes and commends you, Shawn Patrick Gray of Harrodsburg, Kentucky, son of Mr. and Mrs. Tony Gray, as the 1984 4-H State Record Book Champion for Horse projects and the 1983 4-H Walking Horse Division High Point Champion for Kentucky. These noteworthy accomplishments will provide a fine example for todays youth. You have been an inspiration and a model of behavior for the pupils of Mercer County. Your high standards have brought honor and pride to your school, community and the Commonwealth of Kentucky.

This prestigious body salutes you and we extend to you our very best wishes for continued success. (Sponsored by Representative T. Jones)

Representative Blevins moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Blevins moved the adoption of the following **HR 84:**

HR 84, A RESOLUTION commending the Coal Information Network of Kentucky.

WHEREAS, the Coal Information Network of Kentucky is an independent organization of people who are interested in identifying and promoting access to coal information resources throughout Kentucky; and

WHEREAS, the Network was officially recognized as a nonprofit organization in May of 1982; and

WHEREAS, the Network was organized and formed by a group of librarians, information providers, information professionals and others with a continued interest in coal and related industries; and

WHEREAS, the Network is directed and managed by a seven member board of directors, five of whom are elective officers; and

WHEREAS, the goals of the Coal Information Network of Kentucky are to promote communication among the Network members to identify coal information resources in the state; to improve access to coal information; to organize meetings/programs on coal information; and to seek funding for Network projects; and

WHEREAS, the Network has increased its membership by one hundred percent in the past year; and

WHEREAS, the Network has issued a newsletter called Coal Ink to its members and to prospective members to keep them informed about the activities and services of CINK; and

WHEREAS, the Network will be issuing a resource directory to all its members which will list hundreds of persons, organizations, agencies, librarians, and other information providers and professionals who can offer assistance in answering coal questions; and

WHEREAS, the Network will be issuing a series of one-page bibliographies called coal finders to further identify the coal literature; and

WHEREAS, the Network is planning a program for the May meeting which will be very informative to its members and to others interested in coal; and

WHEREAS, the Coal Information Network of Kentucky is dedicated to the task of assisting the citizens in finding coal and related resource materials; and

WHEREAS, this organization has not been formally recognized by the General Assembly;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of the House of Representatives of the Kentucky General Assembly do hereby recognize the services of the Coal Information Network of Kentucky and commend it for its efforts in identifying and promoting access to coal information resources throughout Kentucky.

HR 84 was adopted by voice vote.

Representative Petty moved that the vote by which **SB 215** was defeated be reconsidered.

On the roll call the vote was yeas 36-Arnold, Bennett, Blandford, Blevins, Bruce, Burch, L. Clark, P. Clark, Craddock, Deskins, Donnermeyer, Dunn, Foster, Gedling, Handy, Harper, Hines, Johnson, Kidd, Little, Long, Lundergan, McNutt, Morris, Pearman, Perkins, Petty, Priddy, Richards, F. Smith, Stumbo, Van Horn, White, Williams, Worthington, Yates. Nays 36-Allen, Barrows, Bronger, Caldwell, Cowan, Crupper, Farrow, Ford, Freibert, Gray, Guenthner, Hancock, Head, Heleringer, Holbrook, R. Jones, T. Jones, Lefevers, Lile, List, Mann, McElroy, Meyer, Moberly, Moore, Noe, Noland, Overstreet, Patrick, Rapier, Rattliff, Reinhardt, B. Richardson, Stone, Todd, Turner.

The motion that the vote by which **SB 215** was defeated be reconsidered was rejected.

Representative Worthington moved that the vote by which **HB 984** was defeated be reconsidered.

On the roll call the vote was yeas 45-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Bronger, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Craddock, Donnermeyer, Dunn, Farrow, Hancock, Handy, Harper, Hines, Johnson, R. Jones, LeMaster, Little, Long, Mann, Meyer, Moberly, Nett, Noe, O'Brien, Perkins, Petty, Priddy, Richards, Riner, Stumbo, Thomason, Van Horn, White, Williams, Worthington, Yates. Nays 37-Allen, Clapp, Crupper, Deskins, Endicott, Ford, Freibert, Gedling, Gray, Head, Heleringer, Holbrook, Holloway, T. Jones, Layman, Lefevers, Lile, List, Lundergan, McBee, McElroy, McNutt, Moore, Noland, Overstreet, Patrick, Pearman, Rapier, Rattliff, Reinhardt, B. Richardson, P. Richardson, Robinson, F. Smith, Stone, Todd, Turner.

The motion that the vote by which **HB 984** was defeated be reconsidered was adopted.

Representative Worthington moved that **HB 984** be placed in Orders of the Day for Thursday, March 22, 1984.

On the rall call the vote was yeas 48-Arnold, Barrows, Bendl, Bennett, Blevins, Bronger, Burch, Caldwell, L. Clark, Cowan, Craddock, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Freibert, Guenthner, Hancock, Handy, Harper, Hines, Johnson, R. Jones, Kenton, LeMaster, List, Little, Long, Mann, McBee, Meyer, Moberly, Noe, O'Brien, Perkins, Petty, Priddy, Reinhardt, Richards, Riner, Stumbo, Thomason, Van Horn, White, Williams, Worthington, Yates. Nays 33-Allen, Bruce, Clapp, Crupper, Endicott, Ford, Foster, Gedling, Gray, Head, Heleringer, Holbrook, T. Jones, Kidd, Layman, Lefevers, Lile, Lundergan, McElroy, McNutt, Moore, Noland, Overstreet, Patrick, Pearman, Rapier, Rattliff, B. Richardson, P. Richardson, F. Smith, Stone, Todd, Turner.

The motion that **HB 984** be placed in Orders of the Day for Thursday, March 22, 1984, was adopted.

Representative Worthington moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Worthington moved the adoption of the following **HR 137:**

HR 137, A RESOLUTION honoring the 100 year anniversary of the Scott United Methodist Church of Maysville, Kentucky.

WHEREAS, 1984 marks the 100 year anniversary of the Scott United Methodist Church of the City of Maysville; and

WHEREAS, during the week of June 11, 1984, through June 15, 1984, this honored church will celebrate the years of its fine existence with services being held each evening; and

WHEREAS, this anniversary represents 100 years of shining and extraordinary service and guidance to its members and to the fine City of Maysville;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives honor the Scott United Methodist Church of Maysville for the 100 years of excellent leadership and service they have provided their community.

Section 2. That the House of Representatives order its clerk to send a copy of this resolution to the Reverend Michael Gant, Pastor, Scott United Methodist Church, Maysville, Kentucky, 41056.

HR 137 was adopted by voice vote.

Representative LeMaster moved that the rules be suspended for Reference of Bills and Resolutions. Agreed.

Reference of Bills and Resolutions

The Clerk reported the Committee on Comittees has referred the following Bills and Resolutions:

Judiciary-Criminal: **SB 123.**

Natural Resources and Environment: **HR 136.**

State Government: **HR 133.**

Motions, Petitions, and Communications (continued)

The following meetings were announced:

Education: On adjournment, Room 110.

Counties and Special Districts: Special meeting, Thursday, 10 a.m., Room 103.

Judiciary-Criminal: Thursday, 9 a.m.

Appropriations and Revenue: Tonight, 7 p.m.

Appropriations and Revenue: Special meeting, Thursday, noon.

Cities: Special meeting, Thursday, 1:15 p.m., Room 110.

Energy: Cancelled for Thursday.

Representative Robinson moved that he be recorded as voting "yea" on **HB 900.** Agreed.

Representative Brown moved that he be recorded as voting "nay" on **HB 367.** Agreed.

Representative Arnold moved that he be recorded as voting "yea" on **HB 75.** Agreed.

Representative Barrows moved that he be recorded as voting "nay" on **HB 155.** Agreed.

Representative Donnermeyer moved that he be recorded as voting "nay" on **HB 696.** Agreed.

Representative P. Clark moved that he be recorded as voting "yea" on **SB 101.** Agreed.

Representative Gedling moved that he be recorded as voting "yea" on **HB 1015.** Agreed.

Representative Gedling moved that he be recorded as voting "nay" on **HB 75.** Agreed.

Representative Gedling moved that he be recorded as voting "nay" on **HB 367.** Agreed.

Representative Gedling moved that he be recorded as voting "nay" on **HB 610.** Agreed.

Representative Cowan moved that he be recorded as voting "yea" on **SB 259.** Agreed.

Representative Cowan moved that he be recorded as voting "yea" on **SB 152.** Agreed.

Representative Priddy moved that Floor Amendment No. 1 to **HB 797** and Floor Title Amendment to **HB 797** be withdrawn. Agreed.

Representative Cline moved that the rules be suspended to allow all properly filed co-sponsor requests to be approved. Agreed.

The following members have filed requests to have their names added as co-sponsors of Bills and Resolutions: Representative Caldwell, **HR 133, HB 75, HB 588**; Representative Endicott, **HR 133**; Representative Farrow, **HR 48, HR 61, HB 989**; Representative Gedling, **HB 630**; Representative Lefevers, **HR 133, HB 11, HB 105, HB 115, HB 174, HB 189, HB 190, HB 195, HB 486, HB 540, HB 556, HB 601, HB 665, HB 667, HB 690, HB 691, HB 719, HB 840, HB 895, HB 1017**; Representative LeMaster, **HR 134**; Representative Lile, **HB 41, HB 214, HB 215, HB 588, HB 600, HB 876**; Representative Reinhardt, **HR 133**; Representative Seum, **HB 196, HB 219, HB 221.**

Representative Fryman moved that he be recorded as voting "yea" on **HB 864.** Agreed.

The following Floor Amendments were filed to Bills and Resolutions:

Floor Title Amendment to **SB 26**, by Representative LeMaster:

Amend printed copy of **SB 26**, page 1, by amending the title to read as follows: "AN ACT relating to education and making an appropriation therefor."

Floor Amendment No. 1 to **SB 26**, by Representative LeMaster:

Amend printed copy of **SB 26**, page 2, after line 24 by adding the following:

SECTION 2. A NEW SECTION OF KRS CHAPTER 161 IS CREATED TO READ AS FOLLOWS:

(1) No later than August 15, 1984, the governor shall appoint a twenty-five (25) member committee. It is recommended that the committee be composed of the state superintendent of public instruction and representatives from each of the following groups:

(a) Kentucky colleges and universities;
(b) The department of education;
(c) The council on teacher education and certification;
(d) The Kentucky education association;
(e) The Kentucky chamber of commerce;
(f) The Kentucky parent-teachers associations;
(g) The Kentucky association of school administrators;
(h) The Kentucky school boards association; and
(i) Citizens at large.

(2) Prior to January 1, 1984, the committee shall identify the areas of competency expected of teachers which will indicate successful completion of the internship program.

(3) No later than July 1, 1985, the committee shall:

(a) Identify the appropriate steps of a career ladder;
(b) Identify the training and competency requirements for each step;
(c) Develop a plan for placing currently certified teachers at the appropriate step;
(d) Develop a plan for transition from the existing salary schedule to a salary schedule which is compatible with the career ladder; and
(e) Select or develop an appropriate evaluation system to measure competency of new teachers and of teachers advancing on the career ladder.

(4) Areas of competency specified in subsection (3) of this section shall include, but not be limited to, an understanding of school curriculum, teaching practices and procedures, use of materials, discipline, knowledge of the learning process and academic content.

(5) The department of education shall be responsible for convening all meetings of the committee and provide technical assistance for the committee. The committee shall complete its work by July 1, 1985, and shall submit its report to the state board of education, legislative research commission, and the interim joint committee on education for review, and the report shall be presented to the general assembly in 1986.

(6) The committee shall develop an inservice training program for all school principals by August 15, 1985. The department of education shall implement the program as funds become available. The program shall include but not be limited to supervision of instruction, curriculum planning, discipline, cooperation with parents, working with students, maintenance and operation of school buildings, handling of extra curriculum activities, and faculty planning and improvement. Included in the program shall also be a statewide system of evaluation on both performance and knowledge.

(7) All teachers who enter the teaching profession and are employed as regular teachers beginning with the 1984-85 school year shall be classified as interns and shall enter the profession on the career ladder. For the 1984-85 school year, teachers who were employed in a school system during the previous school year shall remain in the appropriate classification established by KRS 157.390. All out-of-state teachers shall serve the one (1) year internship and comply with all requirements of the internship program.

(8) Any teacher who is employed during the 1984-85 school year, other than interns, may apply for admission to the career ladder prior to the 1985-86 school year. If all requirements have been met, the teacher will be placed at the appropriate level on the career ladder in the 1986-87 school year. Any currently employed teacher may apply for admission to the professional ladder program at any time in the future or choose to remain on the current ranking program. Admission and advancement in the program shall be governed by the criteria developed by the committee established by subsection (1) of this section.

SECTION 3. A NEW SECTION OF KRS CHAPTER 158 IS CREATED TO READ AS FOLLOWS:

(1) In cooperation with the Kentucky education association, the Kentucky school boards association,

the Kentucky association of school administrators, the parent-teachers association, the Kentucky chamber of commerce, the farm bureau, members of the interim joint committee on education and other interested groups, the department of education shall develop statewide student discipline guidelines and recommendations designed to reduce the dropout rate in the state's public schools.

(2) The department shall obtain statewide data on major discipline problems and reasons why students drop out of school. In addition, strategies currently being used successfully in programs in Kentucky and in other states shall be incorporated into the statewide guidelines and the recommendations to reduce dropouts.

(3) Copies of the discipline guidelines shall be distributed to all school districts by January 1, 1985. The statewide guidelines shall contain broad principles to guide local districts in developing their own discipline code, which shall be filed with and approved by the state department of education and state board of education. The local code shall be distributed to all students and parents in the district.

(4) The recommendations to reduce dropouts shall be implemented during the 1985-86 school year. The department of education shall first provide technical assistance to those districts reporting the greatest number of dropouts. Reporting requirements shall be established by the department of education; however, reports shall be prepared in a manner that will provide data on successful strategies for dropout prevention.

SECTION 4. A NEW SECTION OF KRS CHAPTER 157 IS CREATED TO READ AS FOLLOWS:

(1) No later than August 15, 1984, the governor shall appoint a committee on student competency that shall be responsible for identifying the skills and the knowledge of subject matter to be required of all pupils to proceed through the public school system. These requirements shall be developed for each grade level and for each subject at the high school level.

(2) The committee shall not exceed twenty-five (25) members and it is recommended that the membership include representatives from the following: colleges and universities, the department of education, the council on teacher education and certification, elementary principals, secondary principals, classroom teachers teaching at various grade levels and having a variety of areas of certification, the chamber of commerce, the Kentucky association of school administrators, the Kentucky education association, the Kentucky school boards association, parent teacher associations, and citizens at large.

(3) The department of education, with the approval of the state board of education, shall serve as a resource unit providing information to assist the committee. The committee is authorized to employ consultants, and to appoint subcommittees with specific knowledge about each topic being considered.

(4) The committee shall complete its work by August 1, 1985, and shall submit a report to the state board of education, the legislative research commission, and the interim joint committee on education. With the approval of the state board of education, the program shall be implemented in the 1985-86 school year.

(5) The report developed by the committee shall stipulate that at least seventy percent (70%) of the time in each elementary school week shall be spent on basic skills. These include reading, spelling, handwriting, language and composition, and mathematics which shall be required until such time as each student demonstrates the expected competency. This applies to the first eight (8) grades of school regardless of the organizational pattern of the school. In addition, subject matter content in the elementary schools for this seventy percent (70%) time block shall consist of history, geography, mathematics, science, reading, language, library skills and writing. The remainder of the week may be scheduled by the local school in the most appropriate manner with music, art, physical education, health, career education, environmental education and consumer education being a part of the elective program.

(6) The committee shall further stipulate in its report that all secondary school students in grades nine (9) through twelve (12) shall continue to develop competency in reading and writing, including grammar and spelling with two-thirds of their time or sixty-six percent (66%) being devoted to courses in literature, biological science, physical science, mathematics, history, geography and sociology. The school system shall provide appropriate elective courses, including all vocational subjects, for the remainder of the student's program.

(7) In enacting this legislation, the general assembly is supplementing the provisions of the Educational Improvement Act of 1978 and, by so doing, reaffirms the requirements of that legislation as placed on the state department of education and local school districts. Furthermore, the superintendent of public instruction is hereby directed to fully carry out the purpose and intent of that legislation and all that it entails in providing for a program of quality education in the Commonwealth.

SECTION 5. A NEW SECTION OF KRS CHAPTER 157 IS CREATED TO READ AS FOLLOWS:

The department of education shall develop, or cause to be developed, a statewide kindergarten program which shall include basic principles of child development, early childhood education, and all other related concepts which deal with generally accepted kindergarten programs. This program shall be implemented statewide by the department of education beginning in the 1985-86 school year.

Section 6. KRS 157.360 is amended to read as follows:

(1) In determining the cost of the foundation program for each district, the superintendent of public

instruction shall allot to each district classroom units for elementary and secondary schools, classroom units for vocational education, classroom units for exceptional children, classroom units for kindergarten, classroom units for gifted and talented children when units are included in the executive budget, classroom units for superintendents, administrative and special instructional services, classroom units for supervisors of instruction, and classroom units for directors of pupil personnel; provided, however, that the number of classroom units allotted any district shall not exceed the number of teachers employed by the district.

(2) (a) In allotting classroom units for elementary and secondary schools, one (1) classroom unit shall be included for each *twenty-five (25) full time equivalent pupils in average daily attendance in kindergarten; except when sufficient funding is appropriated to the kindergarten program, one (1) unit shall be provided for each twenty (20) full time equivalent pupils in average daily attendance. One (1) classroom unit shall be included for each twenty-five (25) pupils in average daily attendance in grades one (1) through three (3) and for each* twenty-seven (27) pupils in average daily attendance in grades *four (4)* [~~one (1)~~] through twelve (12); provided, however, that one (1) classroom unit shall be included for each isolated one-teacher school with twelve (12) or more pupils in average daily attendance and one (1) unit shall be included for each twenty-five (25) pupils in average daily attendance at all other isolated schools. The allotments of classroom units in this subsection shall be made on the average daily attendance for the end of the previous school year in public school grades one (1) through twelve (12) after the following deductions:

1. An average daily attendance of six and nine-tenths (6.9) in 1978-79 and eight and four-tenths (8.4) in 1979-80 shall be deducted for each vocational unit allotted; and

2. An average daily attendance of five and one-tenth (5.1) in 1978-79 and six and three-tenths (6.3) in 1979-80 shall be deducted for each exceptional children's unit allotted.

(b) *The superintendent of public instruction shall enforce maximum class sizes for every academic course requirement of the state board of education in kindergarten and grades one (1) through twelve (12) except in vocal and instrumental music, art, physical education and special education classes. It is the intention of the general assembly that school districts shall adhere to class sizes upon which funding is based, except where compliance is not practical. Through constant review of classroom size in all districts, the department of education shall prevent school districts from using class size maximums in order to avoid establishing an additional classroom when the number of students is sufficient for an additional unit. The maximum number of pupils enrolled in a class shall be calculated by adding four (4) to the average daily attendance figure upon which funding of the unit is appropriated in the biennial budget. The superintendent of public instruction, upon approval of the state board of education, shall adopt regulations for enforcing this provision. These regulations shall include procedures to permit a superintendent to request an exemption from the state board of education when unusual circumstances warrant an increased class size for an individual class. A request for an exemption shall include specific reasons for the increased class size with a plan for reducing the class size prior to the beginning of the next school year. A school district may receive an exemption for one (1) class for each grade in each building in any one (1) year.*

(c) If a local school district through its admission and release committee determines that an appropriate program in the least restrictive environment for a particular handicapped child includes either part-time or full-time enrollment with a private school or agency within the state or a public or private agency in another state, then the school district shall count this as average daily attendance in a public school the time that such child is in attendance at such school or agency, contingent upon approval by the state superintendent of public instruction and pursuant to KRS 158.130.

(d)[~~(c)~~] Pupils attending a center for child learning and study established under an agreement pursuant to KRS 65.210 through 65.300 shall, for the purpose of calculating average daily attendance, be considered as in attendance in the school district in which the child legally resides and which is party to the agreement. For purposes of KRS 157.360(1), teachers employed in such a center shall be considered as employes of each school district which is a party to the agreement.

(3) Allotments of classroom units except those allotted in accordance with seubsection (4) of this section, shall be increased when the average daily attendance in grades one (1) through twelve (12) in any district for the first two (2) months of the current school year is greater than the average daily attendance of the district in grades one (1) through twelve (12) for the first two (2) months of the previous school year. The total number of classroom units allotted the district shall be increased by the percent of increase.

(4) If the percentage of attendance of any school district shall have been reduced more than two percent (2%) during the previous school year, the number of classroom units allotted the district, except those allotted in accordance with subsection (3) of this section, for the current school year shall be increased by the difference in the percentage of attendance for the two (2) years immediately prior to the current school year less two percent (2%).

(5) In allotting classroom units for vocational education, one (1) classroom unit shall be allotted for each full-time teacher, and a proportionate fraction of a classroom unit shall be allotted for each less than full-time teacher of vocational classes that meet the regulations of the state plan of vocational education as approved by the state board of education; a proportionate fraction of a classroom unit shall be allotted for each teacher employed to teach part-time or short unit classes for less than a school day or a school year that

meet the regulations of the state plan of vocational education as approved by the state board of education. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without approval of the governor.

(6) (a) In allotting classroom units for exceptional children, one (1) classroom unit shall be included upon the employment of each teacher approved to teach such children in accordance with the provisions of law and Kentucky administrative regulations of the state board of education. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without approval of the governor. In addition to the classroom units allotted above, if a local school district, through its admission and release committee, determines that the most appropriate and least restrictive individual educational program for a particular handicapped child includes either part-time or full-time enrollment with a private school or agency, the school district shall be reimbursed in addition to the amount distributed under KRS 157.390(6), a pro rata allotment for those pupils under contract. The pro rata amount shall be calculated by dividing the district's average salary allotted for 185 days plus the current expense and capital outlay allotment per classroom unit by the maximum number of pupils required by regulations for the pupil's specific type of classroom unit.

(b) The superintendent of public instruction shall limit approval of additional private agencies for participation in state funding for the above cited program to those funds appropriated for this purpose in each biennial budget.

(7) (a) In allotting classroom units for administrative and special instructional services, the total number of classroom units allotted in subsections (2), (10) and (12) plus subsections (5) and (6) *of this section* before July 1, 1976 shall be divided by eight (8) and the quotient shall be the number of classroom units allotted to the district under this subsection.

(b) The total number of units allotted under subsection (5) beyond those allotted in the school year 1975-76 times six and nine-tenths (6.9) in 1978-79 and eight and four-tenths (8.4) in 1979-80 average daily attendance plus the total number of units allotted under subsection (6) *of this section* beyond those allotted in the school year 1975-76 times five and one-tenth (5.1) in 1978-79 and six and three-tenths (6.3) in 1979-80 average daily attendance shall be divided by two hundred and sixteen (216) and the quotient shall be the number of classroom units allotted to the district under this subsection.

(c) The total of *paragraph* [~~subsection~~] (a) plus *paragraph* [~~subsection~~] (b) *of this subsection* shall be the number of classroom units allotted the district for administrative and special instructional services as authorized by Kentucky administrative regulations of the state board of education.

(8) In allotting classroom units for supervisors of instruction, one-half (1/2) of a classroom unit shall be allotted each district which is allotted twenty-five (25) through forty-nine and nine-tenths (49.9) classroom units under subsections (2), (5), (6), (10) and (12) *of this section*; one (1) unit shall be allotted each district which is allotted fifty (50) to one hundred (100) classroom units, one (1) unit shall be allotted for each one hundred (100) classroom units, or major fraction thereof, in districts allotted more than one hundred (100) classroom units under these subsections.

(9) In allotting classroom units for directors of pupil personnel, one (1) classroom unit shall be allotted each district which is allotted thirty-six (36) to one hundred and sixty-five and nine-tenths (165.9) classroom units under subsection (2) *of this section* and a unit for each additional two hundred and sixty-six (266) classroom units or fraction thereof allotted under subsection (2) *of this section.* For districts having fewer than thirty-six (36) classroom units, a proportionate fraction of a classroom unit shall be allotted.

(10) In allotting classroom units for kindergarten, the superintendent of public instruction, under Kentucky administrative regulations of the state board of education, may allot units for kindergarten. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without approval of the governor.

(11) In allotting classroom units for superintendent, one unit shall be allotted each school district.

(12) In allotting classroom units for gifted and talented children, the superintendent of public instruction, under Kentucky administrative regulations of the state board of education, may allot units for gifted and talented children. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without the approval of the governor.

Section 7. KRS 158.030 is amended to read as follows:

A "common school" is an elementary or secondary school of the state supported in whole or in part by public taxation. No school shall be deemed a "common school" or receive support from public taxation unless the school is taught by a qualified teacher for a term of eight (8) or more months during the school year and every child residing in the district who satisfies the age requirements of this section has had the privilege of attending it. Provided, however, that any child who is six (6) years of age or who may become six (6) years of age by October 1, 1979, and any year thereafter, shall attend public school as provided by KRS 157.315 or qualify for an exemption as provided by KRS 159.030. Any child who is five (5) years of age or who may become five (5) years of age by October 1, 1979, and any year thereafter, may enter a public school kindergarten. *Effective July 1, 1987, successful completion of kindergarten shall be a prerequisite for a child's entrance into the first grade. The state board of education shall establish, by regulation, methods of* *verifying successful completion of kindergarten and any extenuating circumstances for which waiver of the above prerequisite may be granted. The local school district, with the approval of the state department of education, may organize the local kindergarten program in the manner most appropriate to the local situation provided the plan assures that each child receives an average of fifteen (15) hours class time per week. The local district may use five (5) three (3) hour sessions per week; alternate sessions of three (3) days a week with one group and two (2) days a week with a second group with the two (2) groups reversing days every other week; or any other approved plan.* [~~Any child who has successfully completed kindergarten and shall be six (6) years of age by December 31, 1980 shall be eligible for enrollment in the first grade notwithstanding any other age requirements of this section, and any child who has attended nursery school and will be five (5) years of age on or before December 31, 1980 shall be eligible for enrollment in a public kindergarten program in the 1981-82 school year and in the first grade during the 1982-83 school year.~~]

Section 8. To carry out the purposes of Section 2 and Section 4 of this Act, there is appropriated to the department of education out of the General Fund of the State Treasury the sum of $100,000 for the 1984-86 biennium.

Floor Title Amendment to **SB 46**, by Representative F. Smith:

Amend printed copy of **SB 46**, page 1, Title, by deleting and inserting in lieu thereof the following: "AN ACT relating to occupations and professions"

Floor Amendment No. 1 to **SB 46**, by Representative F. Smith:

Amend printed copy of HCS to **SB 46**, page 16, after line 12, by adding the following:

"Section 13. KRS 42.066 is amended to read as follows:

(1) The division of occupations and professions shall provide administrative services, technical assistance and advice to the following boards and commissions at the request of the individual boards or commissions, all of which maintain their identity and their full authority for making policy decisions in the fields that they regulate: the state board of accountancy, Kentucky athletic commission, the state board of examiners and registration of architects, the Kentucky board of barbering, the Kentucky board of hairdressers and cosmetologists, the state board of podiatry, the Kentucky state board of chiropractic examiners, the Kentucky board of dentistry, the state board of embalmers and funeral directors, the state board of registration for professional engineers and land surveyors, the board of nursing education and nurse registration, the Kentucky board of ophthalmic dispensers, the Kentucky board of optometric examiners, the Kentucky board of pharmacy, the state board of physical therapy, the board of examiners of psychologists, the state real estate commission, the Kentucky board of veterinary examiners, the Kentucky board of examiners in watchmaking, the state board of auctioneers, the state board for proprietary education, the state board of examiners and registration of landscape architects, the state board of medical licensure, the state board of examiners of speech pathology and audiology, the Kentucky board of licensure for nursing home administrators, the Kentucky board for licensing hearing aid dealers, the state board of examiners of social work of Kentucky, and such other boards and commissions as are created to license, certify, register or otherwise regulate any occupational or professional category.

(2) To the extent that the division does provide administrative services, the respective boards and commissions are relieved of the power and duty to provide the services for themselves. The division shall charge each board or commission a reasonable amount for administrative services provided pursuant to subsection (1) of this section. The division may employ persons previously employed by boards or commissions.

(3) The division may receive complaints against the conduct of licensees granted licensure by the boards and commissions assigned to the division for administrative purposes. The division shall cause such complaints to be reduced to writing and forwarded to the appropriate board or commission for investigation and a determination of the validity of the complaint. The division shall keep a record of all complaints received by it and forwarded to a board or commission. *The division shall devise and have published a standardized complaint form to be made available to and used by the boards and commissions in handling complaints. The division may charge a fee for the forms not to exceed the actual cost of devising and publishing the forms.*

SECTION 13. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO READ AS FOLLOWS:

(1) A board or commission shall receive complaints concerning any person licensed under its respective enabling statutes. A complaint shall be made on forms provided by the division to the boards and commissions for such purposes. A board or commission may, at its discretion, accept telephone complaints. A board or commission shall not accept an anonymous complaint unless it believes the nature of the complaint is sufficiently serious to pose a real and present danger to the public health or safety.

(2) Each complaint shall contain the name of the licensee against whom the complaint is lodged, the name, address and phone number of the complainting party, the date of the complaint, a brief statement of the nature of the complaint and the final disposition of the complaint. A copy of each complaint shall be forwarded to the division if the complaint did not originate in the division. A complaint shall not be subject to public inspection unless the complaint results in disciplinary action being taken against the licensee. Records of complaints shall be maintained by a board or commission for five (5) years.

(3) A board or commission shall investigate any complaint duly received by it and shall promulgate necessary and reasonable rules and regulations for the conduct of such investigations. If a complaint is substantiated by investigation and the complaint constitutes a violation of law or regulations under which the licensee practices, the board or commission shall take disciplinary action consistent with enforcement provisions of its enabling statutes. The complainant shall be notified of the final disposition of his complaint as well as any disciplinary action initiated as a result of his complaint. The provisions of this section shall not be construed as preventing a board or commission from initiating an investigation on its own volition.

(4) By September 1 of each year a board or commission shall have completed a report on complaints processed by it in the preceding fiscal year. The report shall contain complete information on complaints resulting in disciplinary actions and a statistical summary of other complaints. A copy of the report shall be forwarded to the division and to the legislative research commission and shall be made available to any person upon request."

Floor Amendment No. 1 to **SB 58**, by Representative Long:

Amend printed copy of **SB 58**, page 21, line 2, by inserting after the word "repealed" the following and renumbering the sections accordingly:

Section 1. KRS 224.855 is amended to read as follows:

(1) No permit shall be issued until a complete application has been submitted to and approved by the cabinet and notice of the application for a waste disposal site or facility has been published at the expense of the applicant in a manner reasonably calculated to inform that portion of the public which is most likely to be affected by the operation of the proposed waste disposal site or facility. The publication shall take place after the cabinet has made a preliminary determination of the application.

(2) At a minimum, publication shall be made at least once by advertisement in a daily or weekly newspaper of general circulation in the locality where the proposed site is to be located.

(3) The contents of the public notice of an application for a waste disposal site or facility shall include the following:

(a) The name and address of the applicant;
(b) A brief description of the activity for which a permit is being sought;
(c) A description of the proposed location;
(d) The name and address of this cabinet; and
(e) The following statement: "Any person who may be aggrieved by the issuance of a permit for this proposed waste disposal site or facility may file with the cabinet a petition which sets forth the grounds of the objection and demand a hearing pursuant to KRS 224.081(2)." Such hearing shall be held within the county where the waste disposal site or facility is proposed.

(4) No permit shall be issued until at least thirty (30) days have expired following publication of the application. The applicant for a permit must establish the date of publication by a verified affidavit from the newspaper which publishes the advertisement. If a hearing is requested, no permit shall be issued prior to a completed hearing. In the case of hazardous waste *incinerators,* landfills and other sites or facilities for the land disposal of hazardous waste no permit shall be approved or issued prior to notification of the cabinet by the local unit of government of its actions pursuant to subsection (5) of this section. *Except that in the case of a hazardous waste incinerator, the procedure set forth in subsection (5) of this section shall not apply if a local unit of government wherein the incinerator is proposed has adopted zoning regulations pursuant to KRS Chapter 100.*

(5) The fiscal court of the county, urban-county government, or governing body of an incorporated municipality wherein a hazardous waste *incinerator,* landfill or other site or facility for the land disposal of hazardous waste is proposed, shall conduct a public hearing after public notice has been given in accordance with KRS Chapter 424 and shall vote to approve or disapprove the hazardous waste *incinerator,* landfill or other site or facility for the land disposal of hazardous waste within thirty (30) days after the hearing described in subsections (3) and (4) of this section. If no hearing is requested under the provisions of subsections (3) and (4) of this section, the fiscal court, urban-county government, or governing body of an incorporated municipality shall conduct such public hearing and vote to approve or disapprove the hazardous waste *incinerator,* landfill or other site or facility for the land disposal of hazardous waste within sixty (60) days following publication of the application. In making a determination the fiscal court, urban-county government, or governing body of an incorporated municipality shall consider the social and economic

impacts of the proposed hazardous waste *incinerator,* landfill or other site or facility for the land disposal of hazardous waste on the affected community, including changes in property values, community perception and other psychic costs; costs and availability of public services, facilities and improvements required to support the landfill or other site or facility and protect public health, safety and the environment; and the relationship of the proposed hazardous waste *incinerator,* landfill or other site or facility for the land disposal of hazardous waste to local planning and existing development. After a fiscal court or urban-county government or governing body of an incorporated municipality has voted to approve or disapprove a hazardous waste landfill or other site or facility for the land disposal of hazardous waste, the court, urban-county government, or governing body of an incorporated municipality shall so notify the cabinet in writing within ten (10) days. If a hazardous waste *incinerator,* landfill or other site or facility for the land disposal of hazardous waste is disapproved by the court, urban-county government, or governing body of an incorporated municipality, the reasons for disapproval shall be set forth clearly and concisely, and so recorded in the minutes. No permit shall be issued by the cabinet if a fiscal court, urban-county government or governing body of an incorporated municipality disapproves the hazardous waste *incinerator,* landfill or other site or facility for the land disposal of hazardous waste in the manner prescribed herein.

(6) The provisions of subsection (5) of this section shall not apply to a proposed regional integrated waste treatment and disposal demonstration facility.

Section 2. KRS 224.866 is amended to read as follows:

(1) No person shall engage in the storage, treatment, recycling or disposal of hazardous waste without first obtaining construction and operation permits from the cabinet. The cabinet shall promulgate regulations establishing standards for such permits but in no case shall a permit to construct or operate a hazardous waste disposal facility or a regional integrated waste treatment and disposal demonstration facility be issued unless it can be demonstrated that the proposed facility can be integrated into the surroundings in an environmentally compatible manner, including but not limited to insuring that hydrologic, seismologic, geologic and soil considerations have been adequately addressed in the permit application and in an operational plan. In no case shall a permit to construct a hazardous waste *incinerator,* landfill or other site or facility for the land disposal of hazardous waste be approved or issued prior to notification of the cabinet by the local unit of government of its actions pursuant to KRS 224.855(5), *unless the exception set forth in KRS 224.855(4) applies,* except when the landfill is part of a regional integrated waste treatment and disposal demonstration facility. The cabinet shall not issue a construction permit to a regional integrated waste treatment and disposal demonstration facility until it has been issued a certificate of environmental safety and public necessity. A person desiring a construction permit shall file an application on forms supplied by the cabinet which shall contain such information as the cabinet deems necessary and provide evidence that the hazardous waste shall be treated, stored or disposed of in the manner prescribed by the cabinet. The applicant shall not initiate construction at the proposed site of a new facility for the storage, treatment or disposal of hazardous waste until notice has been given to that portion of the public most likely to be affected by the operation of the proposed facility pursuant to KRS 224.855(1) through KRS 224.855(4) and until a construction permit for said facility has been issued by the cabinet. The cabinet may consider past performance in this or related fields by the applicant. The cabinet, in making a determination to issue, deny or condition a construction permit, shall consider the following:

(a) An evaluation of alternatives, to include other locations and other treatment, storage, and disposal approaches, different from those proposed, available to the applicant;

(b) An evaluation of the public health, safety, and environmental aspects of the proposals;

(c) An evaluation of the social and economic impacts of the proposed action on the affected community, to include, at a minimum, changes in property values, community perception and other psychic costs, and the costs and availability of public services, facilities and improvements required to support the facility and protect public health, safety and the environment;

(d) An evaluation of mitigation measures to alleviate problems identified in subsections (b) and (c) of this section; and

(e) The relationship of the proposal to local planning and existing development.

Except that in the case of hazardous waste *incinerators,* landfills or other sites or facilities for the land disposal of hazardous waste the provisions of paragraphs (c) and (e) of this subsection shall be determined by the local unit of government pursuant to KRS 224.855(5), *unless the exception set forth in KRS 224.855(4) applies;* in the case of a regional integrated waste treatment and disposal demonstration facility the provisions of paragraphs (c) and (e) of this subsection shall be determined by the siting board established pursuant to KRS 224.2203.

(2) Any hazardous waste which would migrate, leach, or generate gas in its normal state shall not be disposed of in a landfill unless such waste has been either neutralized, detoxified, solidified, encapsulated or otherwise treated so that the character of the waste is such that it will prevent substantial migration, leaching or gas generation or unless the landfill is designed and constructed in such manner as will prevent substantial migration, leaching or gas generation, that in either case may cause or significantly contribute to an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness or pose a substantial

present or potential hazard to human health or the environment.

(3) In conjunction with the application for permits under this section the applicant shall establish adequate financial responsibility as follows:

(a) The applicant shall file as part of his application for a permit to construct the facility an estimate of the cost of closing the facility after its capacity is reached or operations have otherwise ceased. In the case of storage facilities, the cost of closing shall include the cost of properly disposing of the hazardous waste stored. The cabinet shall evaluate this cost estimate and either accept the estimate as made or shall revise it in accordance with acceptable guidelines, using, where available, actual data on closure costs associated with similar existing facilities. Before a permit to operate can be issued the applicant for any hazardous waste permit shall assure that the funds needed to close the facility are available by establishing assurance through one (1) or more of the following mechanisms: cash, certificates of deposit, irrevocable credit or other sureties satisfactory to the cabinet and the mechanism shall be established by agreement with the cabinet. The agreement shall provide that disbursement is permissible only upon written approval of the cabinet and whenever, on the basis of any information, the cabinet determines that the owner or operator is in violation of any of the closure requirements for the facility, that the cabinet shall have the right to use part or all of the closure fund to carry out the closure requirements. The financial institution, surety company or escrow agent shall release these funds upon receiving a forfeiture order of the cabinet issued pursuant to an appropriate administrative hearing considering one (1) or more closure violations. Upon determination that closure has been satisfactorily accomplished, the cabinet shall release the applicant from further financial responsibility for closure.

(b) Any applicant for a hazardous waste disposal permit shall file with the cabinet as part of his application an estimate of the annual cost of post-closure monitoring and routine maintenance at the site. The cabinet shall evaluate the cost estimate, and, after such modification as may be necessary in light of its evaluation, shall give notice of acceptance of the cost estimate. This cost estimate which will be referred to as the annual post-closure operating cost will then be used to determine the amount of the post-closure monitoring and maintenance fund to be used for monitoring and maintenance for a period of a minimum of thirty (30) years after facility closure. The post-closure monitoring and maintenance fund shall be cash, irrevocable credit or other sureties satisfactory to the cabinet and shall be established by an agreement with the cabinet. The agreement shall provide that whenever, on the basis of any information, the cabinet determines that the owner or operator of the facility is in violation of any of the post-closure monitoring and maintenance requirements, the cabinet shall have the right to use part or all of the funds to carry out the post-closure monitoring and maintenance for the facility. The funds shall be released upon receipt of a forfeiture order of the cabinet issued pursuant to an appropriate administrative hearing considering one (1) or more post-closure monitoring and maintenance violations. One (1) year after closure and annually, thereafter, for a period of thirty (30) years, the applicant who has carried out all necessary post-closure maintenance and monitoring requirements may upon application to the cabinet be reimbursed out of the post-closure monitoring and maintenance fund an amount equal to the estimated costs for monitoring and routine maintenance for that year. Request for release of funds for reimbursement must be accompanied by an itemized list of costs incurred. Upon determination that the expenditures incurred are in accordance with the approved plan or otherwise justified the cabinet may authorize the release of the funds to the applicant in writing. Any funds remaining in the account following a termination hearing in which the applicant is released of further responsibility will likewise be released to the applicant.

(c) All applicants for any hazardous waste permit must provide evidence of financial responsibility in an amount and for a time period specified by the cabinet for the purpose of satisfying claims arising out of injury to persons or property resulting from the release or escape of hazardous waste into the environment. Such financial responsibility may be established by one or a combination of evidence of liability insurance, self-insurance, or other evidence of financial responsibility acceptable to the cabinet. The level of self-insurance shall not exceed ten percent (10%) of equity, and financial responsibility must be maintained during the entire operation of the facility and until termination. The minimum liability coverage for sudden occurrences, exclusive of legal defense costs, for a storage, treatment or disposal facility shall be one million dollars ($1,000,000) per occurrence with an annual aggregate of two million dollars ($2,000,000). A hazardous waste disposal facility shall maintain additional excess liability coverage in the amount of at least ten million dollars ($10,000,000). The minimum liability coverage for nonsudden occurrences, exclusive of legal defense costs, for a hazardous waste facility involving land disposal shall be five million dollars ($5,000,000) per occurrence with an annual aggregate of ten million dollars ($10,000,000). Combined coverage for sudden and nonsudden occurrences shall be no less than the combined totals herein set forth for separate coverage.

(4) The cabinet shall promulgate regulations establishing minimal standards for closure, post-closure monitoring and maintenance, and termination of sites for the disposal of hazardous waste. Any person who obtains a disposal permit for hazardous waste shall be responsible for the post-closure monitoring and maintenance of the permitted facility for a minimum of thirty (30) years after closure of the facility, and may apply to the cabinet for termination of the responsibility for post-closure monitoring and maintenance at any

time after the site has been closed for at least thirty (30) years. Upon receipt of such application the cabinet shall provide notice to the public and to the owner or operator and an opportunity for a hearing on the termination of the site. In this proceeding the burden shall be on the applicant to prove by clear and convincing evidence that additional post-closure monitoring and maintenance is not necessary for adequate protection of public health or the environment. The cabinet shall determine either that post-closure monitoring and maintenance of the site is no longer required in which case the applicant shall be relieved of such responsibility; or that additional post-closure monitoring and maintenance of the site as specified in a plan of operation is still required, in which case the cabinet may order appropriate remedial measures, impose restrictive covenants as to future use of the property involved, or otherwise condition termination as may be necessary for adequate protection of public health and the environment.

Floor Amendment No. 1 to **SB 206,** by Representative Hines:

Amend printed copy of **SB 206,** page 1, after line 14, by adding:

SECTION 2. A NEW SECTION OF KRS CHAPTER 318 IS CREATED TO READ AS FOLLOWS:

(1) Upon occupancy of a new tenant in a residential unit leased or rented in this state, if hot water is supplied from an accessible individual water heater, the water heater shall be set by the owner or agent at a temperature not higher than 140 degrees Fahrenheit or 60 degrees Celsius or the minimum setting on any water heater which cannot be set as low as that temperature. Water heating systems may utilize higher reservoir temperature if mixing valves are set or systems are designed to restrict the temperature of water to one hundred forty degrees Fahrenheit.

(2) Nothing in this section shall prohibit an owner of an owner-occupied residential unit or resident of a leased or rented residential unit from readjusting the temperature setting after occupancy. Any readjustment of the temperature setting by the resident relieves the owner or agent of an individual residential unit from liability for damage attributed to the readjustment by the resident.

(3) Nothing in this section requires or permits any inspections other than those otherwise required or permitted by law.

Floor Amendment No. 1 to **SB 259,** by Representative Farrow:

Amend printed copy of **SB 259,** page 4, line 7, after "*only.*" by inserting:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 157 IS CREATED TO READ AS FOLLOWS:

Classroom units for vocational agriculture classes shall be allotted for twelve (12) months per year. Vocational agriculture teachers shall be responsible for the following program of instruction during the time period beyond the regular school term established by the local board of education: supervision and instruction of students in agricultural experience programs; group and individual construction of farmers and agribusinessmen; supervision of student members of agricultural organizations who are involved in leadership training or other activity required by state or federal law; or any program of vocational agriculture established by the office of vocational education in the department of education. Salary allotments for vocational agriculture units shall be computed by proportionately increasing the salary schedule allocation based on the regular one hundred eighty-five (185) day school year for teachers with comparable qualifications and experience."

Floor Title Amendment No. 2 to **SB 283,** by Representative Barrows:

Amend printed copy of **SB 283,** Title, by amending title to read as follows: AN ACT relating to farming and declaring an emergency.

Floor Amendment No. 2 to **SB 283,** by Representative Barrows:

Amend printed copy of **SB 283,** page 20, after line 10, by inserting the following:

SECTION 21. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

As used in this Act, the term "farm property" means agricultural real estate and chattels pertaining thereto which are pledged as loan collateral, including but not limited to crops, livestock and farm equipment.

SECTION 22. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

Notwithstanding the provisions of any law to the contrary, no mortgage or loan foreclosure shall take place on any farm property until the debtor has received notice of default. Any notice of default on farm property mailed to the debtor after the effective date of this Act, shall indicate that the debtor has sixty (60) days from the date the notice is mailed in which to cure the default.

SECTION 23. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

(1) As to agricultural real estate, any mortgagor, or owner in possession of the mortgaged premises, or anycone claiming under the mortgage, or anyone liable for the mortgage debt, may at any time after the receipt of the notice of the foreclosure proceedings and prior to the sale, petition the circuit court of the county where the foreclosure proceedings are pending, serving a summons and verified complaint requesting that the foreclosure sale be postponed for up to twelve (12) months. Upon receiving the petition, the court shall order a stay in the foreclosure proceedings until after the hearing on the petition.

(2) As to other farm property pledged as collateral for loans, any debtor, owner in possession of such property, or anyone liable for the loan debt, may at any time after the receipt of the court action for the collection of the loan debt and prior to the sale or recovery of the collateral, or the granting of other relief requested by the creditor, petition the court where the collection proceedings are pending, serving a summons and verified complaint requesting that the collection be postponed for up to twelve (12) months. Upon receiving the petition, the court shall order a stay in the collection proceedings until after the hearing on the petition.

SECTION 24. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

Within thirty (30) days after the filing of the petition pursuant to Section 3 of this Act, the court shall hold a hearing to determine whether or not to order a postponement in the foreclosure sale of real property or the sale or recovery of pledged collateral of other farm property. The order therein must be made and filed within five (5) days after the hearing.

SECTION 25. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

The court may consider the following criteria in determining whether or not to order a postponement in the foreclosure sale of real property or the sale or recovery of pledged collateral of other farm property:

(1) That the petitioner is actively engaged in farming and derives a majority of his income from farming; and

(2) That the petitioner faces a personal economic crisis due to conditions beyond his control, including but not limited to reduced income due to low commodity prices, or crop failure or reductions; and

(3) That the petitioner has an inability to make payments on the mortgage or loan.

SECTION 26. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

If the parties to the action agree in writing to a compromise settlement thereof, or of compensation of the indebtedness, or both, the court shall have jurisdiction and may by its order confirm and approve the settlement.

SECTION 27. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

(1) In deciding whether to grant relief, the court may determine the reasonable value of the income on the property or, if the property has no income, then the reasonable rental value of the property subject to the mortgage or loan, and may direct the debtor to pay all or a reasonable part of the income or rental value for the payment of taxes, insurance, interest or principal at the times and in the manner determined by the court. In determining the amount of income or rental value to be paid, the court may consider the relative financial conditions and resources of the parties and the ability of the debtor to pay. The court shall hear the petition and after the hearing shall make and file its order directing the payment by the debtor of an amount

at the times and in the manner that the court determines just and equitable.

(2) If the debtor defaults in the payments ordered, the mortgagee or loan creditor may immediately commence foreclosure or collection proceedings. If default is claimed because of waste, the mortgagee or loan creditor may commence foreclosure or collection proceedings immediately after the filing of an order of the court finding the waste.

SECTION 28. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

Upon the application of either party before the expiration of the extended period prior to the foreclosure sale or relief sought in collection proceedings, and upon the presdentation of evidence that the terms for partial payment fixed by the court are no longer just and reasonable, the court may revise and alter the terms in the manner the changed circumstances and conditions require.

SECTION 29. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

(1) No postponement or extension shall be ordered under conditions which would substantially diminish or impair the value of the farm property or which would cause irreparable harm or undue hardship ro any mortgagee, loan creditor, judgment creditor, or their successors or assigns. The remedy authorized by this Act shall be available to a debtor only one (1) time on any piece of farm property.

(2) The provisions of this Act do not apply to mortgages held by the United States or by any agency, department, bureau, or instrumentality of the United States, as security or pledge of the mortgagor, its successors or assigns, and mortgages held as security or pledge to secure payment of a public debt or to secure payment of the deposit of public funds.

SECTION 30. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

The provisions of this Act shall not apply to mortgages or loans secured by farm property made after June 30, 1984 nor to any mortgages or loans secured by farm property made before June 30, 1984 which are renewed or extended after June 30, 1984 for a period of at least one year, nor to mortgages or loans secured by farm property if a second or subsequent mortgage or security agreement is made against the property after June 30, 1984. No court shall allow any stay, postponment or extension of time that would cause any right to be lost or adversely affected by any statute of limitations.

SECTION 33. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

Every law, to the extent that it is inconsistent with this Act, is suspended as to those parties who have petitioned for relief under this Act.

SECTION 34. A NEW SECTION OF KRS CHAPTER 382 IS CREATED TO READ AS FOLLOWS:

This Act shall be known as the "Kentucky Farm Property Security Act of 1984." The provisions of this Act shall expire on December 31, 1985.

Section 35. Whereas, there is a severe economic and financial crisis facing the farming community in the Commonwealth, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the governor.

And on page 20, line 11, by striking "21" and inserting "36"

Floor Title Amendment to **SB 343**, by Representative T. Jones:

Amend printed copy of **SB 343**, Title, by amending the title to read as follows: "AN ACT relating to elections."

Floor Amendment No. 1 to **SB 343**, by Representative T. Jones:

Amend printed copy of **SB 343**, page 4 after line 5, by inserting the following:

"Section 2. KRS 118.176 is amended to read as follows:

(1) A "bona fide" candidate means one who is seeking [~~party~~] nomination *in a primary* or election *in a general election* according to law.

(2) The bona fides of any candidate seeking [~~party~~] nomination or election *in a primary or general election* [~~as an independent~~] may be questioned by any qualified voter entitled to vote for such candidate or by an opposing candidate by summary proceedings consisting of a motion before the circuit court of the judicial circuit in which the candidate whose bona fides is questioned resides. The motion shall be tried summarily and without delay. Proof may be heard orally, and upon motion of either party shall be officially reported. If the circuit judge of the circuit in which the proceeding is filed is disqualified or absent from the county or is himself a candidate, the proceeding may be presented to, heard and determined by the circuit judge of any adjoining judicial circuit.

(3) In any action or proceeding under this section the burden of proof as to the bona fides of a candidate shall be on the person challenging the bona fides of a candidate.

(4) If the court finds the candidate is not a bona fide candidate it must so order, and certify the fact to the board of elections, and the candidate's name shall be stricken from the written designation of election officers filed with the board of elections or the court may refuse recognition or relief in a mandatory or injunctive way. The order of the circuit court shall be entered on the order book of the court and shall be subject to a motion to set aside in the Court of Appeals. The motion shall be heard by the Court of Appeals or a judge thereof in the manner provided for dissolving or granting injunctions, except that the motion must be made before the court or judge within five (5) days after the entry of the order in the circuit court, and may be heard and tried upon the original papers, and the order of the Court of Appeals or judge thereof shall be final.

(5) No person shall approach the circuit judge for the purpose or view of influencing his decision on the motion pending before him or to be tried by him."

Floor Amendment No. 1 to **SB 356,** by Representative Holbrook:

Amend printed copy of **SB 356,** page 1, lines 6 and 7, by deleting the language: "*and related commercial, industrial and service facilities*"

Floor Amendment No. 3 to **HB 60,** by Representative Turner:

Amend printed copy of HCS for **HB 60,** page 1, before line 1, by inserting the following:

"Section 1. KRS 121.025 is amended to read as follows:

No corporation, *labor organization or employe association,* and no officer or agent of a corporation, *labor organization or employe association* on its behalf, shall contribute, either directly or indirectly, any money, service or other thing of value towards the nomination or election of any state, county, city or district officer, or pay, promise, loan or become pecuniarily liable in any way for any money or other valuable thing on behalf of any candidate for office at any election, primary or nominating convention held in this state. No attorney or other person shall accept employment and compensation from a corporation, *labor organization or employe association* with the understanding or agreement, either direct or implied, that he will contribute to any such candidate, or on his behalf, any part or all of such compensation, towards the nomination or election of such candidate.

Section 2. KRS 121.035 is amended to read as follows:

(1) No corporation, *labor organization or employe association* organized or authorized to do business in this state shall, by itself or by or through an officer, agent, attorney or employe, subscribe, give, procure or furnish, or afterwards reimburse or compensate in any way any person who has subscribed, given, procured or furnished, any money, privilege, favor or other thing of value to any political or quasi-political organization, or any officer or member thereof, to be used by such organization for the purpose of aiding, assisting or advancing any candidate for public office in any way whatever.

(2) No officer, agent, attorney or employe of any corporation, *labor organization or employe association* organized or authorized to do business in this state, or person acting for or representing any such corporation, shall disburse, distribute, pay out or in any way handle any money, funds or other thing of value that belongs to or has been or is being furnished by any such corporation, *labor organization or employe association* or any officer, agent, attorney or employe thereof to be used or employed in any way for the purpose of aiding, assisting or advancing any candidate for public office in any way whatever.

(3) Nothing in this section shall be construed to prohibit a corporation, *labor organization or employe association* from making contributions in support of a position on an issue of public importance.

Section 3. KRS 121.310 is amended to read as follows:

(1) No person shall coerce or direct any employe to vote for any political party or candidate for nomination or election to any office in this state, or threaten to discharge any employe if he votes for any candidate, or discharge any employe on account of his exercise of suffrage, or give out or circulate any statement or report that employes are expected or have been requested or directed by the employer, or by anyone acting for him, to vote for any person, group of persons or measure.

(2) No corporation, *labor organization or employe asssociation* organized or authorized to do business in this state shall influence or attempt to influence, by bribe, favor, promise, inducement or otherwise, the vote or suffrage of any employe of such corporation, *or member of such labor organization or employe association* against or in favor of any candidate, platform, principle or issue in any election held under the laws of this state.

(3) For the purposes of this Act, employe associations shall not mean political action committees.

Section 4. KRS 121.990 is amended to read as follows:

(1) Any public service corporation engaged in business in this state, or any officer or agent of such corporation, or attorney or other person employed by such corporation, who wilfully violates any of the provisions of KRS 121.025, shall be fined not more than ten thousand dollars ($10,000), and, in the case of individuals, be imprisoned in the county jail for not less than thirty (30) days nor more than one (1) year.

(2) Any corporation, *labor organization or employe association* other than a public service corporation, *labor organization or employe association*, or any officer or agent of such a corporation, *labor organization or employe association*, or attorney or other person employed by such a corporation, who wilfully violates any of the provisions of KRS 121.025 with respect to the nomination or election of any state, county, city or district officer who, in his official capacity, is required by law to perform any duties peculiar to such corporation, *labor organization or employe association* not common to the general public, or to supervise, regulate or control in any manner the affairs of such corporation, *labor organization or employe association*, or to perform any duty in assessing the property of such corporation, *labor organziation or employe association* for taxes, shall be fined not more than ten thousand dollars ($10,000), and, in the case of individuals, be imprisoned in the county jail for not less than thirty (30) days nor more than one (1) year.

(3) Any corporation, *labor organization or employe association* other than a public service corporation, or any officer or agent of such a corporation, *labor organization or employe association*, or attorney or other person employed by such a corporation, *labor organization or employe association*, who wilfully violates any of the provisions of KRS 121.025 with respect to the nomination or election of any candidate other than those mentioned in subsection (2) of this section, shall be fined not more than one thousand dollars ($1,000), and, in the case of individuals, be imprisoned in the county jail for not more than one (1) year.

(4) Any attorney who wilfully violates any of the provisions of KRS 121.025 or 121.045 shall, in addition to the penalties prescribed in subsections (1), (2), (3) and (7) of this section, be disbarred from the practice of law in this state, and the judgment of conviction shall so declare.

(5) Any corporation, *labor organization or employe association* that wilfully violates any of the provisions of subsection (1) of KRS 121.035 shall be fined not less than five hundred dollars ($500) nor more than five thousand dollars ($5,000) for each offense, and upon conviction its charter shall be forfeited or its authority to do business revoked.

(6) Any person who wilfully violates any of the provisions of subsection (2) of KRS 121.035 shall, for each offense, be fined not less than two hundred and fifty dollars ($250) nor more than one thousand dollars ($1,000), and imprisoned in the county jail for not less than three (3) months nor more than one (1) year.

(7) Any person who wilfully violates any of the provisions of KRS 121.045 shall be fined not more than ten thousand dollars ($10,000), and imprisoned in the county jail for not less than thirty (30) days nor more than one (1) year.

(8) Any person who wilfully violates any of the provisions of KRS 121.055 shall be fined not more than five thousand dollars ($5,000), or imprisoned in the county jail for not more than six (6) months, or both.

(9) Any person who wilfully violates any provision of KRS 121.100 to 121.200 shall be punishable by a fine not exceeding one thousand dollars ($1,000) or by imprisonment for not more than one (1) year, or both. Violations shall include but shall not be limited to any of the following acts or omissions:

(a) Failure to make required reports or to file reports at times specified;

(b) Making any false statement or report;

(c) Giving money under a fictitious name;

(d) Making any communication to support or defeat a candidate without identification of sponsorship.

(10) The nomination for, or election to, an office of any candidate who wilfully violates any provision of KRS 121.100 to 121.200, or whose campaign treasurer wilfully violates any provision of KRS 121.100 to 121.200, with such candidate's knowledge, shall be void, and the office or candidacy shall be filled

as provided by law for the filling of a vacancy. An action to declare a vacancy under this subsection may be brought by the registry, the attorney general, or any candidate for the office sought to be declared vacant, or any qualified voter.

(11) The attorney general, commonwealth's attorney, the registry, or any qualified voter may sue for injunctive relief to compel compliance with the provisions of KRS 121.100 to 121.200.

(12) The commonwealth's attorney for the county in which the candidate resides shall be the chief prosecutor upon receipt of a written request from the registry, shall prosecute any violator under this chapter, and in the event he fails or refuses to prosecute a violator, upon written request from the registry, the attorney general shall appoint a special prosecutor with full authority to carry out the provisions of this section.

(13) Prosecution for violation of any provision of KRS 121.100 to 121.200, shall not be commenced after four (4) years have elapsed from the date of the violation. In the event the violator is an officeholder, the statute of limitations shall not run until one (1) year following expiration of his current term of office.

(14) Any person who wilfully violates any of the provisions of subsection (1) of KRS 121.310 shall be fined not less than one thousand dollars ($1,000) nor more than five thousand dollars ($5,000), or imprisoned in the county jail for not more than six (6) months, or both.

(15) Any corporation, *labor organization or employe association* that wilfully violates any of the provisions of subsection (2) of KRS 121.310 shall be fined not less than five hundred dollars ($500) nor more than five thousand dollars ($5,000) for each offense, and upon conviction its charter shall be forfeited or its authority to do business revoked.

(16) Any person who wilfully violates any of the provisions of KRS 121.320 shall be fined not less than fifty dollars ($50) nor more than five hundred dollars ($500), or imprisoned in the county jail for not less than ten (10) days nor more than thirty (30) days, or both."

And by renumbering the remaining sections to conform.

Floor Title Amendment to **HB 406**, by Representative Moore:

Amend printed copy of **HB 406**, title, by deleting the same and inserting in lieu thereof: "AN ACT relating to the Court of Justice and making an appropriation therefor."

Floor Amendment No. 1 to **HB 406**, by Representative Moore:

Amend printed copy of **HB 406**, page 1, line 1, by adding "Section 1"

And on page 7, below line 9, by adding the following:

"Section 2. KRS 23A.040 is amended to read as follows:

The following judicial circuits are entitled to two (2) judges and shall have two (2) numbered divisions of the circuit court:

(1) Second Judicial Circuit.
(2) Third Judicial Circuit.
(3) Sixth Judicial Circuit.
(4) Eighth Judicial Circuit.
(5) Ninth Judicial Circuit.
(6) Seventeenth Judicial Circuit.
(7) Twenty-fourth Judicial Circuit.
(8) Twenty-fifth Judicial Circuit.
(9) Twenty-seventh Judicial Circuit.
(10) Thirty-second Judicial Circuit.
(11) Thirty-fifth Judicial Circuit.
(12) *Forty-first Judicial Circuit.*
(13) Forty-eighth Judicial Circuit.

Section 3. The term of the judgeship of circuit court created by this Act shall be concurrent with the existing term of office of judges of the circuit court. Until the next regular election of judges of the circuit court, the judgeship created by this Act shall be filled as provided by Sections 118 and 152 of the Constitution. At the next regular election of judges of the circuit court, this office shall be filled for an entire term.

Section 4. For the purpose of funding this amendment to KRS 23A.040, there is appropriated out of the general expenditure fund in the state treasury to the court of justice for court operations and administration the following sums:

1984-85	1985-86
$107,300	$104,600

And to the board of trustees for the judicial form retirement system the following sums:
1984-85 1985-86
$7,500 $7,500"

Floor Amendment No. 1 to **HB 660,** by Representative Van Horn:

Amend printed copy of **HB 660,** page 1, after line 21, by inserting the following:

"*(3) Beginning with the 1984-85 school year the front seats of all school buses used to transport students shall be equipped with seat belts.*"

Floor Title Amendment to **HB 688,** by Representative Harper:

Amend printed copy of **HB 688,** page 1, title, by deleting the words "the reporting of certain wounds" and inserting in lieu thereof "crimes and punishments."

Floor Amendment No. 1 to **HB 688,** by Representative Harper:

Amend printed copy of **HB 688,** page 2, following line 1, by adding the following sections:

Section 2. KRS 257.100 is amended to read as follows:

(1) Any peace officer or any officer of the accredited humane society or society for the prevention of cruelty to animals may *take into protective custody and place in the care of a humane society, animal shelter, or dog pound, or* destroy or kill or cause to be destroyed or killed, any animal found abandoned and suffering and not properly cared for, or appearing to be injured, diseased or suffering past recovery for any useful purpose.

(2) Before destroying the animal the officer shall obtain the judgment to that effect of a veterinarian, or of two (2) reputable citizens called by him to view the animal in his presence, or shall obtain consent to the destruction from the owner of the animal.

(3) (a) Any animal placed in the custody of a licensed veterinarian for treatment, boarding or other care, which shall be unclaimed by its owner or his agent for a period of more than ten (10) days after written notice by certified mail, return receipt requested, is given the owner or his agent at his last known address, shall be deemed to be abandoned and may be turned over to the nearest humane society, dog pound or animal shelter or disposed of as such custodian may deem proper.

(b) The giving of notice to the owner, or the agent of the owner of such animal by the licensed veterinarian, as provided herein shall relieve the licensed veterinarian and any custodian to whom such animal may be given of any further liability for disposal.

(4) For the purpose of this section, the term "abandon" shall mean to forsake entirely, or to neglect or refuse to provide or perform the legal obligations for care and support of an animal by its owner, or his agent. Such abandonment shall constitute the relinquishment of all rights and claims by the owner to such animal.

(5) The costs of boarding, treatment, and destruction of animals held as evidence prior to trial for violation of this section, KRS 525.130, or 1984 House Bill 433 shall be taxed as costs to the defendant if he is convicted of or pleads guilty to a violation of the above listed sections.

(6) Following the conviction or plea of guilty of a person for violation of KRS 525.130 or 1984 House Bill 433, all animals in the possession of such person shall be presumed to be abandoned within the meaning of this section and shall be forfeited to the state. Animals so forfeited shall be disposed of as provided in KRS 500.090.

Section 3. KRS 258.165 is amended to read as follows:

(1) Any person who keeps or operates a kennel may, in lieu of the license for each dog required by KRS 258.135, apply to the dog warden for a kennel license entitling him to keep or operate a kennel. Such application shall be accompanied by a license fee of ten dollars ($10.00) for each license to keep ten (10) dogs or less and fifteen dollars ($15.00) for each license to keep more than ten (10) dogs. Such license fees shall be collected, paid to the department, and credited to the livestock fund in the same manner as the regular dog license fees.

(2) A kennel license shall be issued on a form prescribed and supplied by the department.

(3) Upon the issuance of a kennel license, the person who keeps or operates the kennel shall be furnished a number of tags prescribed and supplied by the department equal to the number of dogs authorized to be kept in the kennel.

(4) The licensee of a kennel shall keep a tag attached to a collar on each dog kept by him at all times, and such tags may be transferred from one dog to another within the kennel whenever any dog is removed from the kennel.

(5) The kennel license of any person convicted of or pleading guilty to a second or subsequent offense of violation of KRS 525.130 or 1984 House Bill 433 shall be revoked.
(6) No kennel license shall be issued to any person who has on two (2) or more times pled guilty or been convicted of a violation of KrS 525.130 or 1984 House Bill 433.

Floor Amendment No. 3 to **HB 786,** by Representative McElroy:

Amend printed copy of HCS for **HB 786,** page 24, line 5, after the word "produced" by inserting the following language:

"*or which are used exclusively for the transportation of soil conservation equipment utilizing an overdimensional permit issued pursuant to KRS 189.273*"

On page 24, line 7, after the word "pay" by deleting the word "*sixty percent (60%)*" and by removing the brackets and strike throughs from the word "forty percent (40%)"

Floor Amendment No. 4 to **HB 786,** by Representative Reinhardt:

Amend printed copy of HCS for **HB 786,** page 24, line 5, after the word "produced" by inserting the following language:

"*or which are used exclusively for the transportation of soil conservation equipment utilizing an overdimensional permit issued pursuant to KRS 189.273*"

Floor Amendment No. 5 to **HB 786,** by Representative Crupper:

Amend printed copy of HCS for **HB 786,** page 19, line 6, after the word "unit" by inserting

6,001 - 8,000 *$18.00;*

and on page 19, line 7 by placing brackets around "6" and striking through same, and inserting *8* in lieu thereof

Floor Title Amendment to **HB 819,** by Representative Stumbo:

Amend printed copy of **HB 819,** Title, by deleting the word "public" from the title so that the title will read: "AN ACT relating to health."

Floor Amendment No. 2 to **HB 819,** by Representative Stumbo:

Amend printed copy of **HB 819,** page 21, line 25, by adding:

"Section 9. KRS 311.715 is amended to read as follows:
No public funds shall be used for the purpose of obtaining an abortion or paying for the performance of an abortion. *Public medical facilities may be used for the purpose of conducting research into or the performance of in-vitro fertilization as long as such procedures do not result in the intentional destruction of a human embryo.* [~~No public funds shall be used for the purpose of conducting research into or for the performance of in-vitro fertilization, which is a procedure involving the destruction of live human fetuses.~~] For purposes of this section, "public funds" means any money of the Commonwealth of Kentucky, any department, agency or instrumentality thereof, or any money of any county, city, agency or instrumentality thereof or any money of any other political subdivision of the Commonwealth, agency or instrumentality thereof. Nothing in this section shall be deemed to deprive a woman of all appropriate medical care necessary to prevent her physical death. *Nothing in this section shall be construed to allow public funds to pay for in-vitro fertilization procedures performed on any individual patient.*"

Floor Amendment No. 3 to **HB 819,** by Representative Morris:

Amend printed copy of **HB 819,** page 21, after line 25, by adding the following:

Section 9. KRS 260.795 is amended to read as follows:
Every milk plant, milk receiving station or other milk processing or manufacturing plant or person, or agent, firm, company, association or corporation buying milk or cream from producers or their agents shall

secure and hold a license to buy for each buying location where such milk and cream is received, *except milk plants receiving milk or cream from producers who are members of associations, cooperatives, or corporations which keep the records and conduct the tests required by KRS 260.775 through 260.845 shall not be required to secure and hold a license to buy, but the associations, cooperatives or corporations shall be required to secure and hold a license to buy for each such milk plant.* Application for a license shall be made to the director, the application to be accompanied by the license fee provided for in KRS 260.815. Upon receipt of the application and fee, the director shall issue to the buyer a license to buy milk or cream provided the buyer is in compliance with the provisions of KRS 260.775 to 260.845 and the regulations relating to the sampling, weighing, testing or buying of milk or cream and the handling, storage, and transportation of producers' milk samples as may be issued by the director.

Section 10. KRS 260.780 is amended to read as follows:

It shall be unlawful for any buyer of milk or cream in this state to:

(1) Receive and buy milk or cream from producers or their agents without obtaining a license for each buying location *as provided in KRS 260.795* where such milk or cream is received;

(2) Receive milk or cream which is paid for on the basis of weight or volume without having it sampled and weighed or measured by a licensed sampler-weigher;

(3) Manipulate weights, measurements or tests, that is, to pay for milk or cream on the basis of any weight or measurement or test that is not the true and legal weight or test;

(4) Manipulate or falsify records or to use records of weights or tests as basis for payment that are not correct and legal weights, measurements or tests;

(5) Receive milk or cream purchased from producers by a milk receiving station or milk plant that does not have a license to buy *as provided in KRS 260.795*;

(6) Use weighing, mixing, sampling, or testing equipment which is inaccurate or nonstandard;

(7) Fail to comply with such regulations for weighing, measuring, sampling and testing milk or cream as may be issued by the director;

(8) Fail to keep records of weights and tests as required by regulation or to make such records available for inspection by the director or his representative; or

(9) Receive milk which is paid for on the basis of tests without having it tested by a licensed tester.

Floor Amendment No. 1 to **HB 851**, by Representative Hancock:

Amend printed copy of **HB 851**, page 2, after line 14, by adding the following:

SECTION 2. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

In its budget unit request, the board shall request an appropriation for contingencies related to expenditures due to an unforeseen increase in the number of appeals. The board shall estimate an amount based on past experience. Any amount appropriated under this section shall not be allotted or expended unless the appropriation made for the hearing of appeals has been exhausted and shall not be transferred or expended for any other purpose.

Floor Amendment No. 1 to **HB 857**, by Representative Stumbo:

Amend printed copy of **HB 857**, page 8, line 9, by inserting after the word "permit" the words "*or license*"

Floor Amendment No. 1 to **HB 901**, by Representative Ludnergan:

Amend printed copy of **HB 901**, page 6, after line 13, and before line 14, by inserting "*(a) Temporary license as apprentice adjuster....25.00*"

Floor Amendment No. 1 to **HB 941**, by Representative T. Jones:

Amend printed copy of HCS for **HB 941**, page 7, line 21, by deleting the words, "*for the pur-*"; and

On page 7, line 22, by deleting the words "*pose of calculating the annual increase,*"; and

On page 7, line 23, by deleting the word "*including,*"; and

On page 7, line 24, by deleting the words "*but not limited to awards,*"; and by inserting the word "*and*" before the word "*increments*"; and

On page 7, line 25, by deleting the words "*overtime, compensatory leave payments, or bonuses,*"; and

On page 27, by deleting lines 5 through 9 in their entirety, and by inserting in lieu thereof the following:

"*(c) If a final order of the board is appealed, a court shall award reasonable attorney fees to an employe who prevails by a final adjudication on the merits. Such award shall not include attorney fees attributable to the hearing before the board.*"; and

On page 38, line 5, by deleting the word "*offered*"; and

On page 38, line 6, by deleting the opening brackets before the word "considered" and the closing bracket after the word "for" and by removing the strikes through the words "considered for"; and

On page 38, line 7, by deleting the word "*are*"; and

On page 38, line 7, by deleting the opening and closing brackets around the word "were" and by deleting the strikethrough through the word "were"; and

On page 52, line 12, by deleting the word "*examinations*" and by inserting in lieu thereof the word "*scores*"; and

On page 55, after line 2, by inserting the following:

"Section 24. KRS 18A.130 is amended to read as follows:

(1) A career employe whose employment is terminated on or after January 1, 1980, by layoff, dismissal, other than for cause, and, in the case of an unclassified management employe, resignation other than resignation in lieu of dismissal for cause, shall, upon his written request, be reemployed or placed on reemployment lists in accordance with this section and KRS 18A.135.

(2) If the career employe has previously attained status in a position in the classified service, he shall revert to a position in that class in the agency from which he was terminated if a vacancy in that class exists. If no such vacancy exists, he shall be *offered* [~~considered for~~] employment in any vacant position for which he is qualified pursuant to the reemployment procedures.

(3) If the career employe has not previously attained status in the classified service or if he has attained status but no vacancy exists in a position to which subsection (2) of this section applies, the employe shall be placed on reemployment lists for any positions for which he is qualified."

Adjournment

Representative LeMaster moved that the House adjourn until 2 p.m., Thursday, March 22, 1984.

On the roll call the vote was yeas 67-Allen, Arnold, Barrows, Bendl, Bennett, Burch, Caldwell, L. Clark, P. Clark, Cowan, Craddock, Crupper, Dawahare, Donnermeyer, Dunn, Endicott, Farrow, Ford, Freibert, Gedling, Gray, Hancock, Handy, Harper, Head, Hines, Holloway, Johnson, Kidd, Layman, Lefevers, Lile, List, Little, Long, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Noe, Noland, O'Brien, Patrick, Pearman, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 2-Blevins, Heleringer.

The motion to adjourn was adopted.

THURSDAY, MARCH 22, 1984

FIFTY-SECOND LEGISLATIVE DAY

The House was called to order by Speaker Richardson.

Prayer by Speaker Richardson.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present.

Representative Brinkley moved that the reading of the Journal of March 21, 1984, be dispensed with and the same approved. Agreed.

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bills and Resolutions:

Banking and Insurance: **SB 312.**

Report of Committees

The Committee on Rules reported **HB 87, HB 577, HB 601, HB 765, HJR 7, HJR 70, SB 9, SB 107, SB 191, HJR 25, HB 677, HB 960, HB 11, HB 269, SB 118, HB 787, HB 1007, SB 105, SB 277, SB 293, HB 207, HB 455, HB 636, HB 688, HB 709, HB 210,** and **SB 229** have been posted for passage in Orders of the Day, March 23, 1984.

The Committee on Rules reported the following Bills and Resolutions have been recommitted:

Appropriations and Revenue: **HB 851, HB 965.**

Judiciary-Civil: **HB 874.**

The Committee on Counties and Special Districts reported **HB 294, SB 411** with Committee Amendment attached thereto, and **SB 361** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 294, AN ACT relating to county attorneys.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 15.765 is amended to read as follows:

(1) Each county attorney shall receive, for prosecutorial duties, an annual salary to be paid out of the state treasury which shall be the total compensation as county attorney which he received during the calendar year 1976, but which shall in no event be less than $7,200. *The salary of a county attorney, as adjusted pursuant to subsection (3) of this section, may be increased to compensate for an increased annual caseload if it is determined that the increase in annual caseload will be continuous and not temporary.*

(2) Each county attorney shall be paid each month the sum of two hundred fifty dollars ($250), which sum is declared to be the equivalent of the minimum sum that each county attorney will expend each month in the performance of his official duties directed to be performed for the Commonwealth. The aforementioned sum shall be paid out of the state treasury.

(3) In order to equate the compensation of county attorneys with the purchasing power of the dollar, the finance and administration cabinet shall compute by the second Friday in February of every year the annual increase or decrease in the consumer price index of the preceding year by using 1949 as the base year in accordance with Section 246 of the Constitution of Kentucky which provides that the above elected officials

shall be paid at a rate no greater than $12,000 per annum. The finance and administration cabinet shall notify the appropriate governing bodies charged by law to fix the compensation of the above elected officials of the annual rate of compensation to which the elected officials are entitled pursuant to the increase or decrease in the consumer price index. Upon notification from the finance and administration cabinet, the appropriate governing body may set the annual compensation of the above elected officials at a rate no greater than that stipulated by the finance and administration cabinet.

(4) The county attorney shall not be prohibited from engaging in the private practice of law.

SB 411, AN ACT relating to local governments.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 79 IS CREATED TO READ AS FOLLOWS:

As used in this Act, unless the context otherwise requires:

(1) "Capital improvement property" means any real or tangible property needed for a governmental purpose and having a useful life of one (1) year or more, and any real or tangible personal property with respect to which capital outlay notes can be legally authorized and issued by a municipality.

(2) "Contracting party" means any party to a service contract, lease or lease-purchase agreement, other than a local government, and can include individuals, corporations, partnerships, other government agencies, and other business entities.

(3) "Local government" means any county, city or urban-county government in the Commonwealth of Kentucky.

SECTION 2. A NEW SECTION OF KRS CHAPTER 79 IS CREATED TO READ AS FOLLOWS:

(1) Any local government may enter into, with any contracting party or parties, service contracts, leases or lease-purchase agreements with respect to capital improvement property for terms not to exceed forty (40) years or the useful life of the subject capital improvement property, whichever is less.

(2) Except as otherwise provided by law, local governments may negotiate and enter into long-term service contracts for such period or duration as the local government may determine for any purpose for which short term contracts not extending beyond the term of the members of the legislative body could be entered into. The provisions of subsection (1) of this section shall govern the periods or terms of service contracts, leases, and lease-purchase agreements with respect to capital improvement property.

SECTION 3. A NEW SECTION OF KRS CHAPTER 79 IS CREATED TO READ AS FOLLOWS:

(1) When the period or term, including any renewal term or extension period, of any service contract, lease, or lease-purchase agreement for any real property is to be for less than five (5) years or for tangible personal property, regardless of the period or term, such service contract, lease or lease-purchase agreement shall be approved by resolution or ordinance adopted by the legislative body of the local government.

(2) When the period or term, including any renewal term of extension period, of any service contract, lease or lease-purchase agreement for any real property is to be for five (5) years or more a hearing shall be conducted prior to approval by the legislative body. Notice of such hearing shall be published pursuant to KRS Chapter 424. Such notice shall identify the real property to be considered, the term or terms of such service contract, lease or lease-purchase agreement and the contracting party. Such service contract, lease or lease-purchase agreement shall be approved by resolution or ordinance adopted by the governing body of the municipality.

(3) No other or further approval shall be required for any service contract, lease or lease-purchase agreement entered into pursuant to the provisions of this Act.

SECTION 4. A NEW SECTION OF KRS CHAPTER 79 IS CREATED TO READ AS FOLLOWS:

(1) The authorization provided by this Act shall be additional and supplemental to, and the limitations provided herein shall not affect the powers or authorizations provided by, any other law, and is not in substitution for the powers or authorizations conferred by any other law.

(2) For the purposes of this Act, the contracted services, leases, or lease-purchases shall not be construed to constitute a right in franchise and shall not be subject to acts affecting franchises.

The Committee Amendment No. 1 to **SB 411** is as follows:

Amend printed copy of **SB 411**, on page 1, line 20, by inserting after "*may*" the following: "*, subject to the limitations of Section 157 of the Constitution,*".

SB 361, AN ACT relating to jails.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 441.007 is reenacted and amended to read as follows:

(1) For the care and maintenance of prisoners charged with or convicted of violations of state law, each county shall receive a contribution from the state treasury *based on a formula comprised of the following factors:*

(a) Sixty percent (60%) of the allocation shall be based on the amount of the 1983-84 funding formula each county received;

(b) Ten percent (10%) of the allocation shall be based on each county's comparative ranking of median household income in inverse order, as determined by the 1980 federal census of population; and

(c) Thirty percent (30%) of the allocation shall be based on the proportion of each county's age at risk population (18-34) to the state total, as determined by the 1980 federal census of population [~~for the incarceration of state prisoners in an amount equal to the total amount paid to the jailer in fiscal year 1980-81 for fees pursuant to KRS 64.150 plus the product of the number of permanent beds in the jail, as determined by the corrections cabinet, times two hundred and seventy dollars ($270)~~].

(2) Payments of the state contribution for jail operating expenses shall be made monthly by the *corrections* [~~finance and administrative~~] cabinet to the county treasurer. The election by a county to close its jail and to contract with another county for the incarceration of prisoners, as permitted by KRS 441.006, shall not affect the state contribution provided for in subsection (1) of this section.

(3) All state funds paid to a county under this section, any funds paid to a county by the United States government, a city or another county for the incarceration of prisoners and any interest earned on such funds shall be expended on the incarceration of prisoners, as provided in KRS 441.006. Any funds paid under subsection (1) of this section and any interest earned on such funds shall be expended on the incarceration of prisoners, *in accordance with regulations promulgated pursuant to KRS 441.011,* within twelve (12) months of the close of the fiscal year in which such funds were received. *Any funds received by a county under subsection (1) of this section that are not expended for this purpose shall be returned to the state treasury.*

[~~(4) In the event that a jail was closed during fiscal year 1980-81, the capacity of a jail has been substantially increased due to construction or renovation and the fees earned by the jailer in fiscal year 1980-81 do not reflect such increased capacity or for other reasons the fees earned by the jailer were not representative of the usual jail population, the secretary of finance may, upon proper documentation by the county, permit a prior fiscal year or, in the case of newly constructed or renovated jails, an estimate of current capacity to be used as a basis for calculating the state's contribution to the jail operating expenses.~~

~~(5) The number of permanent beds in each jail shall be established by information supplied and certified by the corrections cabinet. In the event that the total number of permanent jail beds in the state, as determined by the corrections cabinet, exceeds five-thousand (5,000) beds, the two-hundred and seventy dollar ($270) per bed allotment provided in subsection (1) of this section shall be reduced proportionately.~~]

Section 2. KRS 441.010 is amended to read as follows:

(1) The county governing body *shall* [~~may~~] prescribe rules for the government and cleanliness of the county jail and the comfort and treatment of prisoners, provided such rules are consistent with state law. The county judge/executive may inspect the jail at any reasonable time.

(2) Wilful violation of the rules promulgated pursuant to subsection (1) of this section shall be deemed a violation.

(3) *Except as provided in subsection (4) and (5) of this section, the cost of providing necessary medical, dental and psychological care for prisoners in the county jail shall be paid from the county jail budget.* [~~If a prisoner in the county jail needs medical care and is a needy person, the unit of government shall pay for his medical expenses, except that any payment for medical care for prisoners of the United States government shall be governed by federal law. The determination of whether or not a person is a needy person shall be made pursuant to KRS 31.120. Such determination may be made after medical care is given if a licensed physician determines that medical care should not be delayed. The unit of government shall not pay for medical care which could be postponed until after the period of confinement without hazard to the needy person except for the initial examination by the physician to determine whether medical care is needed. Only a licensed physician may determine that medical care can be postponed without hazard. The amount and nature of payments under this subsection shall be subject to the following terms and conditions:~~

~~(a) The physician or physicians attending the prisoner shall certify, under oath, that the prisoner's condition was such that medical care could not be postponed until after the period of confinement without hazard, that medical procedures were limited to those necessary to preserve the life or health of the prisoner and that they were not of an elective nature except for the initial examination by the physician to determine~~

~~whether medical care is needed; and~~]

(4) The cost of providing necessary medical, dental or psychological care for prisoners of the United States government shall be paid as provided by contract between th United States government and the county or as may otherwise be provided by federal law.

(5) The cost of providing necessary medical, dental or psychological care, beyond routine care and diagnostic services, for prisoners held pursuant to a contractual agreement with the state shall be paid as provided by contract between the state and county. The costs of necessary medical, dental or psychological care, beyond routine care and diagnostic services, of prisoners held in the county jail for which the county receives a per diem payment shall be paid by the state.

(6) When the cost of necessary medical, dental or psychological care for a prisoner exceeds twenty-five hundred dollars ($2500), as calculated by using the maximum allowable costs to similar persons or facilities for the same or similar services under the Kentucky medical assistance program, the state shall reimburse the county for that portion of the costs that exceed twenty-five hundred dollars ($2500). The reimbursement shall be subject to the following terms and conditions:

(a) The care is necessary as defined in subsection (9) of this section;

(b) The prisoner is indigent as defined in subsection (7) of this section, or is uninsured; and

(c)[~~(b)~~] No *state reimbursement to the county for care provided by* [~~payments to~~] physicians, hospitals, laboratories, or other health care providers shall exceed the maximum payments allowed to similar persons or facilities for the same or similar services under the Kentucky medical assistance program. [~~Such services shall not include psychological testing, evaluation or care; and~~]

(7)[~~(c)~~] *The determination of whether a prisoner is indigent shall be made pursuant to KRS 31.120.* Prisoners who are later determined not to have been indigent, or who at a time following treatment are no longer indigent, *shall* [~~may~~] be required to repay the costs of payments made pursuant to this section to the unit of government which made the payment.[~~; and~~]

(8)[~~(d)~~] The terms and conditions relating to any determination of nonindigency and demands for repayment shall be under the same terms and conditions as are provided under KRS Chapters 31 and 431 relating to similar circumstances in the program for defense of indigents by the public advocate.

(9) For the purposes of this section, "necessary care" means care of a nonelective nature that can not be postponed until after the period of confinement without hazard to the life or health of the prisoner. The physician attending the prisoner shall certify, under oath, that the care was necessary.

Section 3. KRS 441.013 is amended to read as follows:

(1) Whenever the bureau finds that a violation of its regulations, or the laws or other state regulations pertaining to the protection of persons and property, exists in any jail, the secretary of the cabinet shall order that the violation be corrected immediately.

(2) In order to enforce an order made pursuant to subsection (1) of this section, the secretary may:

(a) Order the jail or portions thereof to be vacated and closed until the violation is eliminated.

(b) Order the jail to cease to house certain classes of prisoners or limit the length of time prisoners or certain classes of prisoners may be housed in the jail.

(c) Order the state contribution made pursuant to KRS 441.007 to be used, in whole or in part, to contract with another county for the incarceration of prisoners.

(3) An order issued under this section shall be in writing, incorporating the findings of the cabinet and other agencies, if appropriate, and shall be delivered or mailed by certified mail, return receipt requested, to the county jailer and county judge/executive within twenty-four (24) hours of the issuance of said order. The county jailer or county judge/executive may within seventy-two (72) hours of receipt of said notification, request in writing a public hearing before the secretary of the cabinet or his designee on the matters covered by said order. *Upon the hearing, the secretary of the cabinet or his designee may administer oaths and may issue subpoenas for the attendance of witnesses and the production of relevant books and papers.* The secretary of the cabinet or his designee may issue, modify or repeal the order at the conclusion of the hearing.

Section 4. KRS 441.615 is amended to read as follows:

(1) There is created and established within the department of finance a Kentucky local correctional facilities construction authority, composed of *ten (10)* [~~nine (9)~~] members who shall be:

(a) The secretary of finance, or his designee;

(b) The secretary of corrections, or his designee;

(c) The president of the Kentucky Jailers Association, *or his designee*;

(d) The president of the Kentucky County Judges/Executive Association, *or his designee*;

(e) The president of the Kentucky Association of Counties, *or his designee*;

(f) The president of the Kentucky Magistrates and Commissioners Association, or his designee;

(g) Two (2) citizen members appointed by the governor; and

(h)[~~(g)~~] Two (2) members of the general assembly appointed by the *governor* [~~chairmen of the legislative research commission~~].

(2) The *ex officio members* [~~secretary of finance, the secretary of corrections and the presidents of the Kentucky Jailers Association, Kentucky County Judges/Executive Association and the Kentucky~~

~~Association of Counties, and their successors~~] shall serve for the term of their respective office. The legislative members of the authority shall serve at the pleasure of the *governor* [~~chairmen of the legislative research commission~~].

(3) Citizen members shall begin their terms on August 1, 1982, and shall be appointed for a term of four (4) years; however, in making initial appointments, the governor shall appoint one (1) member for a term of two (2) years, and one (1) member for a term of three (3) years.

(4) Vacancies occurring in the term of any member shall be filled in the same manner as the original appointment.

(5) The *ten (10)* [~~nine (9)~~] members of this authority and their successors are a body corporate and politic constituting a public corporation and governmental agency and instrumentality of the Commonwealth, with perpetual succession and with power in that name to contract and be contracted with, to acquire and convey property, to sue and be sued, to have and use a corporate seal, and to exercise all of the usual powers of corporations not inconsistent with specifically enumerated powers.

(6) The members of the authority shall receive no compensation for their services, but are entitled to reimbursement for all reasonable expenses necessary and incidental to the performance of their duties and function as members of this authority.

(7) The chairman of the authority shall be the secretary of finance. The members of the authority shall elect a vice-chairman and secretary from their membership.

(8) The secretary of finance shall designate an employe of his department to serve as treasurer of the authority. The treasurer shall give bond to the authority for a faithful accounting for all funds coming into his custody, in such amount as the authority may prescribe, drawn upon a surety company qualified to do business in the Commonwealth, the premium therefor to be paid by the Commonwealth.

(9) The authority shall establish and maintain an office and the secretary of the authority shall maintain therein complete records of the authority's actions and proceedings, as public records open to inspection. The department of finance is directed and authorized to provide such funds, staff assistants, facilities and materials as may be required by the authority in the conduct of its duties and functions. The secretary of finance may require the bureau of corrections to share in the expenses incurred by the department of finance in maintaining and operating offices of the authority.

Section 5. KRS 441.620 is amended to read as follows:

(1) If any of the officers of the authority whose signatures or facsimiles thereof appear on any bonds of the authority[~~, or on any interest coupons appurtenant thereto,~~] or on any other instruments or documents pertaining to the functions of the authority, shall cease to be such officers before delivery of the bonds, or before the effective date or occasion of such instruments or documents, the signatures, and facsimiles thereof, shall nevertheless be valid for all purposes the same as if the officers had remained in office until such delivery or effective date or occasion.

(2) Any *six (6)* [~~five (5)~~] members of the authority shall constitute a quorum.

(3) The authority shall meet not less than every six (6) months beginning no later than sixty (60) days after KRS 441.605 to 441.695 shall become effective, and at such other times as it may be called as provided in this section. Special meetings of the authority may be called by the chairman, and upon written request of two (2) members the chairman shall call a special meeting of the authority to be held not later than twenty (20) days following receipt of the written request. The chairman shall give notice through the secretary by certified mail, return receipt requested, to each member of the authority at least ten (10) days prior to the time of any meeting, unless all members of the authority waive notice in writing. The offices of the authority shall be at the seat of state government.

(4) The authority may adopt bylaws relating to its organization and internal management, and may alter the same at will. Through its bylaws, or by resolution, it shall establish stated times and places for regular meetings; and may adjourn the same from time to time. If a quorum be present at any special meeting, and it shall appear from the minutes that reasonable notice was given to absent members, or waived by them, or the minutes subsequently consented to by them, any business transacted or action taken thereat shall be as fully regular and official as if transacted or taken at a regular meeting or an adjournment thereof.

(5) The authority may adopt rules and regulations for the conducting of its business and affairs, subject to the provisions of KRS Chapter 13.

Section 6. KRS 441.625 is amended to read as follows:

The authority is hereby authorized and empowered:

(1) To construct, reconstruct, improve or repair any jail and appurtenant facilities in any local government in this state, as may be determined by the authority and provided for in an agreement or agreements;

(2) To acquire and to convey real estate and any improvements and buildings and facilities located thereon, for which a project is undertaken, and in such manner and under such terms as may be provided by agreement;

(3) To issue revenue bonds, and revenue bond anticipation notes of the authority payable solely from the revenues, rentals, and other funds pledged for their payment, for the purpose of paying any part of the

cost of any one (1) or more projects, and to refund any of its bonds;

(4) To combine for financing purpose any two (2) or more projects;

(5) To lease as lessor any project to any local government as lessee, pursuant to the terms and provisions of a lease;

(6) To employ consulting engineers, attorneys, accountants, construction and financial experts, managers, and other employes and agents as may be necessary in the judgment of the authority, and to fix their compensation;

(7) To make and enter into such contracts and agreements with other parties as may be necessary and incidental to the performance of its duties and execution of its powers under KRS 441.625 to 441.695;

(8) To establish and enforce rules, regulations, and specifications in respect to any project undertaken by the authority, except during any period when such powers are assigned to a lessee pursuant to a lease agreement, provided that such rules, regulations and specifications shall be consistent with state laws and regulations pertaining to jails;

(9) To receive, accept and expend funds or other contributions from any source, both public and private, for or in aid of any project undertaken by the authority;

(10) To create and establish a "debt service reserve" pursuant to proceedings and trust indenture of the authority; [~~and~~]

(11) To *make matching fund grants not exceeding fifty thousand dollars ($50,000) to local governments from funds determined by the authority to be available to it for such purposes, upon such terms and according to such criteria as the authority shall in its discretion determine; and* [~~do all acts necessary and proper to the implementation of the powers expressly granted in KRS 441.625 to 441.695.~~]

(12) To do all things and perform all acts desirable, necessary and proper to carry out and implement the powers expressly granted to the authority by KRS 441.625 to KRS 441.695.

Section 7. KRS 441.630 is amended to read as follows:

If the authority deems it suitable, feasible, necessary or expedient that any project or projects be financed or refinanced and constructed by the authority, the authority may make one (1) or more written agreements in which the parties may include provisions as to any of the following:

(1) Identify the project to be financed by the authority, setting forth specifications and design of such facilities to be constructed, reconstructed, improved, or repaired, and any other information which is deemed necessary and proper for the development of the project;

(2) Set forth what portions, if any, of the cost of the project have been or shall thereafter be contributed by the authority from the funds and other resources available to it during the then current biennium and not previously obligated, provided that the authority's contribution from its funds (excluding rentals received under leases made by the authority and any contribution, grant, or gift made to the authority by a local government, person, or entity other than the state, for the use and benefit of such project) shall not exceed ninety percent (90%) of such cost;

(3) Set forth agreements for planning, design, acquisition of property, soliciting construction bids, awarding construction contracts, issuing of work orders, and such other steps as may be necessary or incidental to the construction of the project, and authorizing and selling bonds for the project;

(4) Agree that upon completion of the project the lessee will continuously pay all of the cost of repairing, maintaining and operating the project;

(5) Agree that upon the happening of stated events and the performance of stated conditions not inconsistent with law, the authority shall convey the project to the lessee;

(6) Set forth the terms and provisions of lease or proposed conveyance to be entered into by and between the authority and any local government;

(7) Agree that upon determination of the amount of bonds to be issued by the authority for the project and the interest rate or rates the bonds are to bear, and prior to the delivery of any bonds to the purchaser thereof, the rental to be paid during the term of the lease and each term for which the lease may be renewed shall be established according to a method of computation set forth therein and in the proposed lease, and that the authority and lessee, each by authorized persons, shall execute such lease and file the original or a signed counterpart thereof in the office of the authority, and the secretary of state of the Commonwealth; [~~and~~]

(8) Agree to establish any method of interim financing by the authority during the construction of any project, with borrowed funds from any bank, trust company, or banking institution, such funds to be amortized from money obtained through the sale of revenue bonds before, during, or at completion of the construction of such project or projects*; and*

(9) Agree to establish guidelines for the construction, reconstruction, improvement or repair of projects determined by the authority to qualify for grants from the authority.

Section 8. KRS 441.640 is amended to read as follows:

(1) The authority may provide for the issuance of revenue bonds to pay any part of the cost of any projects undertaken pursuant to an agreement and lease; provided that, the authority shall not issue bonds before July 15, 1983, and until the total amount of revenues collected and deposited in the authority's fund

equals or exceeds two million dollars ($2,000,000). The principal and interest on such bonds are payable solely from the funds provided for such payment. Any issue may be in one (1) or more series and any such series may enjoy equal or subordinate status with respect to the pledge of funds from which they are payable, shall be dated, shall bear interest at such rate or rates as established by the authority, shall mature at such time or times not exceeding forty (40) years from their date or dates, all as may be provided by the authority, and may be made redeemable before maturity, at the option of the authority, at such price or prices and under such terms and conditions as may be fixed by the authority prior to the issuance of the bonds. The authority shall determine the form of the bonds[~~, including any interest coupons to be attached thereto,~~] and shall fix the denomination of the bonds and the place or places for payment of principal and interest, which may be at any bank or trust company within or without the Commonwealth or at the office of the department of finance. The bonds shall be signed by the facsimile signature of the chairman or secretary of the authority, and the seal of the authority or a facsimile thereof shall be affixed thereto and attested by the manual signature *or a facsimile thereof* of the secretary or chairman of the authority[~~, and any coupons attached thereto shall bear the facsimile signature of the chairman of the authority~~]. All bonds issued under the provisions of KRS 441.625 to 441.695 shall have all the qualities and incidents of negotiable instruments under the uniform commercial code, KRS Chapter 355. [~~The bonds may be issued in coupon or in registered form, or both, as the authority may determine, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, and for the reconversion into coupon bonds of any bonds registered as to both principal and interest.~~] The authority may sell such bonds *at public or private sale* [~~in a manner prescribed by law~~].

(2) The proceeds of the bonds of each issue shall be used solely for the payment of the cost of the project or projects for which such bonds shall have been issued, and shall be disbursed in such manner and under such restrictions, if any, as the authority may provide in the proceedings authorizing the issuance of such bonds or in the trust indenture securing the same. If the proceeds of the bonds of any issue, by error of estimates or otherwise, shall be less than such cost, additional bonds may in like manner be issued to provide the amount of such deficit, and, unless otherwise provided in the proceedings authorizing the issuance of such bonds or in the trust indenture securing the same, shall be deemed to be of the same issue and shall be entitled to payment from the same fund without preference or priority of the bonds first issued. If the proceeds of the bonds of any issue exceed such cost, the surplus shall be deposited to the credit of the sinking fund or funds for such bonds or any account or accounts therein as the authority shall have provided in the proceedings or trust indenture authorizing and securing such bonds.

(3) Prior to the preparation of definitive bonds, the authority may, under like restrictions, issue notes or temporary bonds[~~, with or without coupons,~~] exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The authority may also provide for the replacement of any bonds which shall become mutilated or shall be destroyed or lost.

(4) The terms of the trust indenture under which bonds or notes are issued may delegate to the trustee the authority to establish procedures for the physical delivery of bond or note certificates either at the time of original issuance or on subsequent transfers but any such method shall be subject to the approval of the authority.

Section 9. KRS 441.655 is amended to read as follows:

Any holder of bonds issued under the provisions of KRS 441.625 to 441.695 [~~or any of the coupons appertaining thereto,~~] and the trustee under any trust indenture, except to the extent the rights herein given may be restricted by such trust indenture, may, either at law or in equity, by suit, action, mandamus or other proceedings, protest and enforce any and all rights under the laws of the Commonwealth or granted under KRS 441.625 to 441.695 or under such trust indenture or proceedings to be performed by the authority or by any officer or employes thereof, including the fixing, charging and collecting of rents.

Section 10. KRS 24A.175 is amended to read as follows:

(1) Court costs for a criminal case in the district court shall be:

(a) For an offense for which prepayment is permitted under KRS 189.394, 431.451, or 431.452 and for which prepayment has been made prior to trial as required by law *$37.00* [~~$32.00~~]

(b) For an offense for which prepayment is not permitted or has not been made *$42.00* [~~$37.00~~]

(2) There shall be no court costs for a parking citation when:

(a) The fine is paid to the clerk before the trial date in the same manner as provided for speeding citations under KRS 189.394(3); and

(b) The citation does not involve parking in a fire lane or blocking the traveled portion of the highway.

(3) Additional costs shall be assessed in district court criminal matters as follows:

(a) Preparing an attestation	$ .50
(b) Preparing a certification	1.00
(c) Preparing a copy of a document (per page)	.25

(4) Taxation of costs against a defendant, upon conviction, including persons sentenced to a drivers' improvement program as provided under KRS 186.574, shall be mandatory and shall not be probated or

suspended.

(5) The circuit clerk shall, at the time fines and costs are paid over to the state, pay five dollars ($5.00) from each court cost collected pursuant to subsection (1) of this section to the county treasurer for use by the fiscal court for the sole purpose of defraying the costs of operation of the county jail and shall include among his reports to the administrative office of the courts the amounts paid to the county.

(6) The circuit clerk shall, at the time fines and costs are paid over to the state, pay *ten* [~~five~~] dollars *($10)* [~~($5.00)~~] from each court cost collected pursuant to subsection (1) of this section to the state treasury for the benefit and use of the Kentucky local correctional facilities construction authority pursuant to KRS 441.625 to 441.695.

Section 11. KRS 431.215 is amended to read as follows:

(1) If the judgment imposes a sentence of death or confinement in the penitentiary, county jail or other institution, two certified copies thereof shall be furnished forthwith to the sheriff who shall execute the same by delivering the defendant and a certified copy of the judgment to the person in charge of the penitentiary, jail or institution of confinement and making a written return thereof in the office of the circuit clerk within ten days after the execution.

(2) When the judgment imposes a sentence of death or confinement in the penitentiary, the county in which the prisoner is incarcerated shall receive from the state treasury a fee of ten dollars ($10) per day beginning on the fifth day following the day on which judgment was rendered and ending the day that the defendant is delivered to the penitentiary. The fee shall be paid to the county treasurer for use for the incarceration of prisoners as provided in KRS 441.006.

Section 12. Acts 1982, Chapter 385, Section 51 is repealed.

The Committee Substitute to **SB 361** is as follows:

SB 361, AN ACT relating to jails.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 441.007 is reenacted and amended to read as follows:

(1) For the care and maintenance of prisoners charged with or convicted of violations of state law, each county shall receive a contribution from the state treasury *in an amount equal to that paid to the county pursuant to this section in fiscal year 1983-84. Any additional monies appropriated for county jails shall be allocated on the basis of a formula comprised of the following factors:*

(a) Sixty percent (60%) of the allocation shall be based on the amount of the 1983-84 funding formula each county received;

(b) Ten percent (10%) of the allocation shall be based on each county's comparative ranking of median household income in inverse order, as determined by the 1980 federal census of population; and

(c) Thirty percent (30%) of the allocation shall be based on the proportion of each county's age at risk population (18-34) to the state total, as determined by the 1980 federal census of population [~~for the incarceration of state prisoners in an amount equal to the total amount paid to the jailer in fiscal year 1980-81 for fees pursuant to KRS 64.150 plus the product of the number of permanent beds in the jail, as determined by the corrections cabinet, times two hundred and seventy dollars ($270)~~].

(2) Payments of the state contribution for jail operating expenses shall be made monthly by the *corrections* [~~finance and administrative~~] cabinet to the county treasurer. The election by a county to close its jail and to contract with another county for the incarceration of prisoners, as permitted by KRS 441.006, shall not affect the state contribution provided for in subsection (1) of this section.

(3) All state funds paid to a county under this section, any funds paid to a county by the United States government, a city or another county for the incarceration of prisoners and any interest earned on such funds shall be expended on the incarceration of prisoners, as provided in KRS 441.006. Any funds paid under subsection (1) of this section and any interest earned on such funds shall be expended on the incarceration of prisoners, *in accordance with regulations promulgated pursuant to KRS 441.011,* within twelve (12) months of the close of the fiscal year in which such funds were received. *Any funds received by a county under subsection (1) of this section that are not expended for this purpose shall be returned to the state treasury.*

(4) *In no event shall a county receive less than twenty-four thousand dollars ($24,000) pursuant to this section from the state treasury for the care and maintenance of prisoners charged with or convicted of violations of state law.* [~~In the event that a jail was closed during fiscal year 1980-81, the capacity of a jail has been substantially increased due to construction or renovation and the fees earned by the jailer in fiscal year 1980-81 do not reflect such increased capacity or for other reasons the fees earned by the jailer were not representative of the usual jail population, the secretary of finance may, upon proper documentation by the county, permit a prior fiscal year or, in the case of newly constructed or renovated jails, an estimate of~~

~~current capacity to be used as a basis for calculating the state's contribution to the jail operating expenses.~~

~~(5) The number of permanent beds in each jail shall be established by information supplied and certified by the corrections cabinet. In the event that the total number of permanent jail beds in the state, as determined by the corrections cabinet, exceeds five-thousand (5,000) beds, the two-hundred and seventy dollar ($270) per bed allotment provided in subsection (1) of this section shall be reduced proportionately.~~]

Section 2. KRS 441.010 is amended to read as follows:

(1) The county governing body *shall* [~~may~~] prescribe rules for the government and cleanliness of the county jail and the comfort and treatment of prisoners, provided such rules are consistent with state law. The county judge/executive may inspect the jail at any reasonable time.

(2) Wilful violation of the rules promulgated pursuant to subsection (1) of this section shall be deemed a violation.

(3) *Except as provided in subsection (4) and (5) of this section, the cost of providing necessary medical, dental and psychological care for prisoners in the county jail shall be paid from the county jail budget.* [~~If a prisoner in the county jail needs medical care and is a needy person, the unit of government shall pay for his medical expenses, except that any payment for medical care for prisoners of the United States government shall be governed by federal law. The determination of whether or not a person is a needy person shall be made pursuant to KRS 31.120. Such determination may be made after medical care is given if a licensed physician determines that medical care should not be delayed. The unit of government shall not pay for medical care which could be postponed until after the period of confinement without hazard to the needy person except for the initial examination by the physician to determine whether medical care is needed. Only a licensed physician may determine that medical care can be postponed without hazard. The amount and nature of payments under this subsection shall be subject to the following terms and conditions:~~

~~(a) The physician or physicians attending the prisoner shall certify, under oath, that the prisoner's condition was such that medical care could not be postponed until after the period of confinement without hazard, that medical procedures were limited to those necessary to preserve the life or health of the prisoner and that they were not of an elective nature except for the initial examination by the physician to determine whether medical care is needed; and~~]

(4) The cost of providing necessary medical, dental or psychological care for prisoners of the United States government shall be paid as provided by contract between th United States government and the county or as may otherwise be provided by federal law.

(5) The cost of providing necessary medical, dental or psychological care, beyond routine care and diagnostic services, for prisoners held pursuant to a contractual agreement with the state shall be paid as provided by contract between the state and county. The costs of necessary medical, dental or psychological care, beyond routine care and diagnostic services, of prisoners held in the county jail for which the county receives a per diem payment shall be paid by the state.

(6) When the cost of necessary medical, dental or psychological care for a prisoner exceeds twenty-five hundred dollars ($2500), as calculated by using the maximum allowable costs to similar persons or facilities for the same or similar services under the Kentucky medical assistance program, the state shall reimburse the county for that portion of the costs that exceed twenty-five hundred dollars ($2500). The reimbursement shall be subject to the following terms and conditions:

(a) The care is necessary as defined in subsection (9) of this section;

(b) The prisoner is indigent as defined in subsection (7) of this section, or is uninsured; and

(c)[~~(b)~~] No *state reimbursement to the county for care provided by* [~~payments to~~] physicians, hospitals, laboratories, or other health care providers shall exceed the maximum payments allowed to similar persons or facilities for the same or similar services under the Kentucky medical assistance program. [~~Such services shall not include psychological testing, evaluation or care; and~~]

(7)[~~(c)~~] *The determination of whether a prisoner is indigent shall be made pursuant to KRS 31.120.* Prisoners who are later determined not to have been indigent, or who at a time following treatment are no longer indigent, *shall* [~~may~~] be required to repay the costs of payments made pursuant to this section to the unit of government which made the payment.[~~; and~~]

(8)[~~(d)~~] The terms and conditions relating to any determination of nonindigency and demands for repayment shall be under the same terms and conditions as are provided under KRS Chapters 31 and 431 relating to similar circumstances in the program for defense of indigents by the public advocate.

(9) For the purposes of this section, "necessary care" means care of a nonelective nature that can not be postponed until after the period of confinement without hazard to the life or health of the prisoner. The physician attending the prisoner shall certify, under oath, that the care was necessary.

Section 3. KRS 441.013 is amended to read as follows:

(1) Whenever the bureau finds that a violation of its regulations, or the laws or other state regulations pertaining to the protection of persons and property, exists in any jail, the secretary of the cabinet shall order that the violation be corrected immediately.

(2) In order to enforce an order made pursuant to subsection (1) of this section, the secretary may:

(a) Order the jail or portions thereof to be vacated and closed until the violation is eliminated.

(b) Order the jail to cease to house certain classes of prisoners or limit the length of time prisoners or certain classes of prisoners may be housed in the jail.

(c) Order the state contribution made pursuant to KRS 441.007 to be used, in whole or in part, to contract with another county for the incarceration of prisoners.

(3) An order issued under this section shall be in writing, incorporating the findings of the cabinet and other agencies, if appropriate, and shall be delivered or mailed by certified mail, return receipt requested, to the county jailer and county judge/executive within twenty-four (24) hours of the issuance of said order. The county jailer or county judge/executive may within seventy-two (72) hours of receipt of said notification, request in writing a public hearing before the secretary of the cabinet or his designee on the matters covered by said order. *Upon the hearing, the secretary of the cabinet or his designee may administer oaths and may issue subpoenas for the attendance of witnesses and the production of relevant books and papers.* The secretary of the cabinet or his designee may issue, modify or repeal the order at the conclusion of the hearing.

Section 4. KRS 441.615 is amended to read as follows:

(1) There is created and established within the department of finance a Kentucky local correctional facilities construction authority, composed of *ten (10)* [~~nine (9)~~] members who shall be:

(a) The secretary of finance, or his designee;

(b) The secretary of corrections, or his designee;

(c) The president of the Kentucky Jailers Association, *or his designee*;

(d) The president of the Kentucky County Judges/Executive Association, *or his designee*;

(e) The president of the Kentucky Association of Counties, *or his designee*;

(f) *The president of the Kentucky Magistrates and Commissioners Association, or his designee;*

(g) Two (2) citizen members appointed by the governor; and

(h)[~~(g)~~] Two (2) members of the general assembly appointed by the *governor* [~~chairmen of the legislative research commission~~].

(2) The *ex officio members* [~~secretary of finance, the secretary of corrections and the presidents of the Kentucky Jailers Association, Kentucky County Judges/Executive Association and the Kentucky Association of Counties, and their successors~~] shall serve for the term of their respective office. The legislative members of the authority shall serve at the pleasure of the *governor* [~~chairmen of the legislative research commission~~].

(3) Citizen members shall begin their terms on August 1, 1982, and shall be appointed for a term of four (4) years; however, in making initial appointments, the governor shall appoint one (1) member for a term of two (2) years, and one (1) member for a term of three (3) years.

(4) Vacancies occurring in the term of any member shall be filled in the same manner as the original appointment.

(5) The *ten (10)* [~~nine (9)~~] members of this authority and their successors are a body corporate and politic constituting a public corporation and governmental agency and instrumentality of the Commonwealth, with perpetual succession and with power in that name to contract and be contracted with, to acquire and convey property, to sue and be sued, to have and use a corporate seal, and to exercise all of the usual powers of corporations not inconsistent with specifically enumerated powers.

(6) The members of the authority shall receive no compensation for their services, but are entitled to reimbursement for all reasonable expenses necessary and incidental to the performance of their duties and function as members of this authority.

(7) The chairman of the authority shall be the secretary of finance. The members of the authority shall elect a vice-chairman and secretary from their membership.

(8) The secretary of finance shall designate an employe of his department to serve as treasurer of the authority. The treasurer shall give bond to the authority for a faithful accounting for all funds coming into his custody, in such amount as the authority may prescribe, drawn upon a surety company qualified to do business in the Commonwealth, the premium therefor to be paid by the Commonwealth.

(9) The authority shall establish and maintain an office and the secretary of the authority shall maintain therein complete records of the authority's actions and proceedings, as public records open to inspection. The department of finance is directed and authorized to provide such funds, staff assistants, facilities and materials as may be required by the authority in the conduct of its duties and functions. The secretary of finance may require the bureau of corrections to share in the expenses incurred by the department of finance in maintaining and operating offices of the authority.

Section 5. KRS 441.620 is amended to read as follows:

(1) If any of the officers of the authority whose signatures or facsimiles thereof appear on any bonds of the authority[~~, or on any interest coupons appurtenant thereto,~~] or on any other instruments or documents pertaining to the functions of the authority, shall cease to be such officers before delivery of the bonds, or before the effective date or occasion of such instruments or documents, the signatures, and facsimiles thereof, shall nevertheless be valid for all purposes the same as if the officers had remained in office until such delivery or effective date or occasion.

(2) Any *six (6)* [~~five (5)~~] members of the authority shall constitute a quorum.

(3) The authority shall meet not less than every six (6) months beginning no later than sixty (60) days after KRS 441.605 to 441.695 shall become effective, and at such other times as it may be called as provided in this section. Special meetings of the authority may be called by the chairman, and upon written request of two (2) members the chairman shall call a special meeting of the authority to be held not later than twenty (20) days following receipt of the written request. The chairman shall give notice through the secretary by certified mail, return receipt requested, to each member of the authority at least ten (10) days prior to the time of any meeting, unless all members of the authority waive notice in writing. The offices of the authority shall be at the seat of state government.

(4) The authority may adopt bylaws relating to its organization and internal management, and may alter the same at will. Through its bylaws, or by resolution, it shall establish stated times and places for regular meetings; and may adjourn the same from time to time. If a quorum be present at any special meeting, and it shall appear from the minutes that reasonable notice was given to absent members, or waived by them, or the minutes subsequently consented to by them, any business transacted or action taken thereat shall be as fully regular and official as if transacted or taken at a regular meeting or an adjournment thereof.

(5) The authority may adopt rules and regulations for the conducting of its business and affairs, subject to the provisions of KRS Chapter 13.

Section 6. KRS 441.625 is amended to read as follows:

The authority is hereby authorized and empowered:

(1) To construct, reconstruct, improve or repair any jail and appurtenant facilities in any local government in this state, as may be determined by the authority and provided for in an agreement or agreements;

(2) To acquire and to convey real estate and any improvements and buildings and facilities located thereon, for which a project is undertaken, and in such manner and under such terms as may be provided by agreement;

(3) To issue revenue bonds, and revenue bond anticipation notes of the authority payable solely from the revenues, rentals, and other funds pledged for their payment, for the purpose of paying any part of the cost of any one (1) or more projects, and to refund any of its bonds;

(4) To combine for financing purpose any two (2) or more projects;

(5) To lease as lessor any project to any local government as lessee, pursuant to the terms and provisions of a lease;

(6) To employ consulting engineers, attorneys, accountants, construction and financial experts, managers, and other employes and agents as may be necessary in the judgment of the authority, and to fix their compensation;

(7) To make and enter into such contracts and agreements with other parties as may be necessary and incidental to the performance of its duties and execution of its powers under KRS 441.625 to 441.695;

(8) To establish and enforce rules, regulations, and specifications in respect to any project undertaken by the authority, except during any period when such powers are assigned to a lessee pursuant to a lease agreement, provided that such rules, regulations and specifications shall be consistent with state laws and regulations pertaining to jails;

(9) To receive, accept and expend funds or other contributions from any source, both public and private, for or in aid of any project undertaken by the authority;

(10) To create and establish a "debt service reserve" pursuant to proceedings and trust indenture of the authority; [~~and~~]

(11) To *make matching fund grants not exceeding fifty thousand dollars ($50,000) to local governments from funds determined by the authority to be available to it for such purposes, upon such terms and according to such criteria as the authority shall in its discretion determine; and* [~~do all acts necessary and proper to the implementation of the powers expressly granted in KRS 441.625 to 441.695.~~]

(12) To do all things and perform all acts desirable, necessary and proper to carry out and implement the powers expressly granted to the authority by KRS 441.625 to KRS 441.695.

Section 7. KRS 441.630 is amended to read as follows:

If the authority deems it suitable, feasible, necessary or expedient that any project or projects be financed or refinanced and constructed by the authority, the authority may make one (1) or more written agreements in which the parties may include provisions as to any of the following:

(1) Identify the project to be financed by the authority, setting forth specifications and design of such facilities to be constructed, reconstructed, improved, or repaired, and any other information which is deemed necessary and proper for the development of the project;

(2) Set forth what portions, if any, of the cost of the project have been or shall thereafter be contributed by the authority from the funds and other resources available to it during the then current biennium and not previously obligated, provided that the authority's contribution from its funds (excluding rentals received under leases made by the authority and any contribution, grant, or gift made to the authority by a local government, person, or entity other than the state, for the use and benefit of such project) shall not exceed ninety percent (90%) of such cost;

(3) Set forth agreements for planning, design, acquisition of property, soliciting construction bids, awarding construction contracts, issuing of work orders, and such other steps as may be necessary or incidental to the construction of the project, and authorizing and selling bonds for the project;

(4) Agree that upon completion of the project the lessee will continuously pay all of the cost of repairing, maintaining and operating the project;

(5) Agree that upon the happening of stated events and the performance of stated conditions not inconsistent with law, the authority shall convey the project to the lessee;

(6) Set forth the terms and provisions of lease or proposed conveyance to be entered into by and between the authority and any local government;

(7) Agree that upon determination of the amount of bonds to be issued by the authority for the project and the interest rate or rates the bonds are to bear, and prior to the delivery of any bonds to the purchaser thereof, the rental to be paid during the term of the lease and each term for which the lease may be renewed shall be established according to a method of computation set forth therein and in the proposed lease, and that the authority and lessee, each by authorized persons, shall execute such lease and file the original or a signed counterpart thereof in the office of the authority, and the secretary of state of the Commonwealth; [~~and~~]

(8) Agree to establish any method of interim financing by the authority during the construction of any project, with borrowed funds from any bank, trust company, or banking institution, such funds to be amortized from money obtained through the sale of revenue bonds before, during, or at completion of the construction of such project or projects*; and*

(9) Agree to establish guidelines for the construction, reconstruction, improvement or repair of projects determined by the authority to qualify for grants from the authority.

Section 8. KRS 441.640 is amended to read as follows:

(1) The authority may provide for the issuance of revenue bonds to pay any part of the cost of any projects undertaken pursuant to an agreement and lease; provided that, the authority shall not issue bonds before July 15, 1983, and until the total amount of revenues collected and deposited in the authority's fund equals or exceeds two million dollars ($2,000,000). The principal and interest on such bonds are payable solely from the funds provided for such payment. Any issue may be in one (1) or more series and any such series may enjoy equal or subordinate status with respect to the pledge of funds from which they are payable, shall be dated, shall bear interest at such rate or rates as established by the authority, shall mature at such time or times not exceeding forty (40) years from their date or dates, all as may be provided by the authority, and may be made redeemable before maturity, at the option of the authority, at such price or prices and under such terms and conditions as may be fixed by the authority prior to the issuance of the bonds. The authority shall determine the form of the bonds[~~, including any interest coupons to be attached thereto,~~] and shall fix the denomination of the bonds and the place or places for payment of principal and interest, which may be at any bank or trust company within or without the Commonwealth or at the office of the department of finance. The bonds shall be signed by the facsimile signature of the chairman or secretary of the authority, and the seal of the authority or a facsimile thereof shall be affixed thereto and attested by the manual signature *or a facsimile thereof* of the secretary or chairman of the authority[~~, and any coupons attached thereto shall bear the facsimile signature of the chairman of the authority~~]. All bonds issued under the provisions of KRS 441.625 to 441.695 shall have all the qualities and incidents of negotiable instruments under the uniform commercial code, KRS Chapter 355. [~~The bonds may be issued in coupon or in registered form, or both, as the authority may determine, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, and for the reconversion into coupon bonds of any bonds registered as to both principal and interest.~~] The authority may sell such bonds *at public or private sale* [~~in a manner prescribed by law~~].

(2) The proceeds of the bonds of each issue shall be used solely for the payment of the cost of the project or projects for which such bonds shall have been issued, and shall be disbursed in such manner and under such restrictions, if any, as the authority may provide in the proceedings authorizing the issuance of such bonds or in the trust indenture securing the same. If the proceeds of the bonds of any issue, by error of estimates or otherwise, shall be less than such cost, additional bonds may in like manner be issued to provide the amount of such deficit, and, unless otherwise provided in the proceedings authorizing the issuance of such bonds or in the trust indenture securing the same, shall be deemed to be of the same issue and shall be entitled to payment from the same fund without preference or priority of the bonds first issued. If the proceeds of the bonds of any issue exceed such cost, the surplus shall be deposited to the credit of the sinking fund or funds for such bonds or any account or accounts therein as the authority shall have provided in the proceedings or trust indenture authorizing and securing such bonds.

(3) Prior to the preparation of definitive bonds, the authority may, under like restrictions, issue notes or temporary bonds[~~, with or without coupons,~~] exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The authority may also provide for the replacement of any bonds which shall become mutilated or shall be destroyed or lost.

(4) The terms of the trust indenture under which bonds or notes are issued may delegate to the trustee

the authority to establish procedures for the physical delivery of bond or note certificates either at the time of original issuance or on subsequent transfers but any such method shall be subject to the approval of the authority.

Section 9. KRS 441.655 is amended to read as follows:

Any holder of bonds issued under the provisions of KRS 441.625 to 441.695 [~~or any of the coupons appertaining thereto,~~] and the trustee under any trust indenture, except to the extent the rights herein given may be restricted by such trust indenture, may, either at law or in equity, by suit, action, mandamus or other proceedings, protest and enforce any and all rights under the laws of the Commonwealth or granted under KRS 441.625 to 441.695 or under such trust indenture or proceedings to be performed by the authority or by any officer or employes thereof, including the fixing, charging and collecting of rents.

Section 10. KRS 24A.175 is amended to read as follows:

(1) Court costs for a criminal case in the district court shall be:

(a) For an offense for which prepayment is permitted under KRS 189.394, 431.451, or 431.452 and for which prepayment has been made prior to trial as required by law *$37.00* [~~$32.00~~]

(b) For an offense for which prepayment is not permitted or has not been made *$42.00* [~~$37.00~~]

(2) There shall be no court costs for a parking citation when:

(a) The fine is paid to the clerk before the trial date in the same manner as provided for speeding citations under KRS 189.394(3); and

(b) The citation does not involve parking in a fire lane or blocking the traveled portion of the highway.

(3) Additional costs shall be assessed in district court criminal matters as follows:

(a) Preparing an attestation $ .50
(b) Preparing a certification 1.00
(c) Preparing a copy of a document (per page) .25

(4) Taxation of costs against a defendant, upon conviction, including persons sentenced to a drivers' improvement program as provided under KRS 186.574, shall be mandatory and shall not be probated or suspended.

(5) The circuit clerk shall, at the time fines and costs are paid over to the state, pay five dollars ($5.00) from each court cost collected pursuant to subsection (1) of this section to the county treasurer for use by the fiscal court for the sole purpose of defraying the costs of operation of the county jail and shall include among his reports to the administrative office of the courts the amounts paid to the county.

(6) The circuit clerk shall, at the time fines and costs are paid over to the state, pay *ten* [~~five~~] dollars *($10)* [~~($5.00)~~] from each court cost collected pursuant to subsection (1) of this section to the state treasury for the benefit and use of the Kentucky local correctional facilities construction authority pursuant to KRS 441.625 to 441.695.

Section 11. KRS 431.215 is amended to read as follows:

(1) If the judgment imposes a sentence of death or confinement in the penitentiary, county jail or other institution, two certified copies thereof shall be furnished forthwith to the sheriff who shall execute the same by delivering the defendant and a certified copy of the judgment to the person in charge of the penitentiary, jail or institution of confinement and making a written return thereof in the office of the circuit clerk within ten days after the execution.

(2) When the judgment imposes a sentence of death or confinement in the penitentiary, the county in which the prisoner is incarcerated shall receive from the state treasury a fee of ten dollars ($10) per day beginning on the fifth day following the day on which judgment was rendered and ending the day that the defendant is delivered to the penitentiary. The fee shall be paid to the county treasurer for use for the incarceration of prisoners as provided in KRS 441.006.

Section 12. KRS 441.005 is amended to read as follows:

As used in KRS Chapter 441 unless the context otherwise requires:

(1) "Jail" means county jails and correctional or detention facilities, including correctional facilities defined in KRS 67B.020 and juvenile detention facilities, operated by and under the supervision of any county, city or urban county government.

(2) "Prisoner" means any person confined in jail pursuant to any code, ordinance, law, or statute of any unit of government and who is:

(a) Charged with or convicted of an offense; or

(b) Held for extradition or as a material witness; or

(c) Confined for any other reason.

(3) "Unit of government" means that unit of government including the United States government whose law, statute, ordinance, or code a prisoner is charged with violating. In the event of a person imprisoned for contempt of court, the state shall be deemed the responsible unit of government.

(4) "Cabinet" means the corrections cabinet.

(5) "Jail personnel" means deputy jailers, matrons, cooks and other food service personnel and other jail employes involved in the supervision, custody, care or treatment of prisoners in jails but does not

include maintenance or clerical personnel.

(6) "Regional jail" means a jail that may house prisoners for up to one (1) year and which is:

(a) Owned and operated by one (1) county and, on a regular basis, holds prisoners for another county or for the state; or

(b) Owned and operated by two (2) or more counties through a regional jail authority as provided in Section 13 of this Act.

SECTION 13. A NEW SECTION OF KRS CHAPTER 441 IS CREATED TO READ AS FOLLOWS:

(1) Two or more counties may by ordinances establish a regional jail authority.

(2) The authority shall constitute a public body corporate and politic, exercising public and essential governmental functions, and having all the powers necessary or convenient to carry out and effectuate the purposes and provisions of Sections 13 to 16 of this Act, including, but not limited to, the following powers:

(a) To sue and be sued; to have a seal and to alter the same at pleasure; to have perpetual succession; to make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the authority; and to make and from time to time amend and repeal bylaws, rules and regulations to carry into effect the powers and purposes of the authority;

(b) To acquire property by lease or purchase, construct, reconstruct or renovate a regional jail and to provide for the operation and maintenance of the facility;

(c) To employ an administrator of the regional jail and other personnel as necessary; and

(d) To exercise the power, authority and duties of counties under KRS Chapter 441 and other provisions of the Kentucky Revised Statutes related to the operations of jails and the incarceration of prisoners.

SECTION 14. A NEW SECTION OF KRS CHAPTER 441 IS CREATED TO READ AS FOLLOWS:

(1) The regional jail authority shall be composed of members appointed by the county judges/executive of the respective counties within the authority and the jailer of the county where the regional jail is located. The county judge/executive of the most populous county shall appoint three (3) members to the authority, and the remainder of the county judges/executive shall each appoint two (2)members.

(2) Members of the authority shall serve four (4) year terms, except that one (1) of each county judge/executive's original appointees shall serve a two (2) year term. Members of the authority shall not be compensated for their service but may be reimbursed for expenses actually incurred.

SECTION 15. A NEW SECTION OF KRS CHAPTER 441 IS CREATED TO READ AS FOLLOWS:

In any county where a regional jail, operated by a regional jail authority pursuant to Section 13 of this Act, is located, the jailer shall have no further responsibility, duty and liability for jail operations, except that he shall serve on the authority as provided in Section 14 of this Act and be required to inspect the jail and render a report to the fiscal court each month. The jailer shall also serve as a bailiff to the circuit and district courts of the county as provided for in KRS 71.050, and may serve as custodian of county buildings and grounds as provided in KRS 67.130.

SECTION 16. A NEW SECTION OF KRS CHAPTER 441 IS CREATED TO READ AS FOLLOWS:

In any county where a regional jail, operated by a regional jail authority pursuant to Section 13 of this Act, is located, the administrator of the regional jail shall exercise the authority and perform the duties of the jailer under the Kentucky Revised Statutes.

Section 17. KRS 441.017 is amended to read as follows:

(1) For the purpose of raising the level of competence of jailers and jail personnel, the cabinet shall maintain a local corrections training program to provide training for jailers and jail personnel consistent with the standards promulgated pursuant to KRS 441.011 and shall keep records of jailers and jail personnel who satisfactorily complete basic and annual continuing education. A curriculum advisory committee composed of jailers, their representatives and recognized professionals in the field of jail administration shall advise the cabinet concerning the training needs of jailers and jail personnel.

(2) Beginning in August, 1982 each jailer shall receive an expense allowance to help defray the costs of his and his staff's participation in the local corrections training program. The expense allowance shall be in the amount of three hundred dollars ($300) per month payable out of the state treasury, provided, however, that such payments shall be discontinued if the jailer fails to complete basic training within one (1) year of taking office. Thereafter, expense allowance payments shall be discontinued if the jailer fails to satisfactorily complete annual continuing training. Expense allowance payments shall be resumed following a discontinuance for failure to satisfactorily complete basic or annual training only upon the jailer's satisfactory completion of such training.

(3) The allowance authorized in subsection (2) of this section shall be considered as operating expenses of the jailer's office and shall not be considered as part of his compensation. Jailers shall not be required to keep records verifying the expenditures from the allowance provided by the state.

(4) In any county where a regional jail, operated by a regional jail authority pursuant to Section 13 of this Act, is located, the jailer shall not participate in the local corrections training program nor shall he receive an expense allowance pursuant to this Section.

SECTION 18. A NEW SECTION OF KRS CHAPTER 441 IS CREATED TO READ AS FOLLOWS:

A regional jail may contain court facilities for judicial proceedings not involving a jury.

Section 19. KRS 446.010 is amended to read as follows:

As used in the statute laws of this state, unless the context requires otherwise:

(1) "Action" includes all proceedings in any court of this state;

(2) "Animal" includes every warm-blooded living creature except a human being;

(3) "Attorney" means attorney-at-law;

(4) "Bequeath" and "devise" mean the same thing;

(5) "Bequest" and "legacy" mean the same thing, and embrace either real or personal estate, or both;

(6) "Cattle" includes horse, mule, ass, cow, ox, sheep, hog or goat of any age or sex;

(7) "Company" may extend and be applied to any corporation, company, person, partnership, joint stock company or association;

(8) "Corporation" may extend and be applied to any corporation, company, partnership, joint stock company or association;

(9) "Cruelty" as applied to animals includes every act or omission whereby unjustifiable physical pain, suffering or death is caused or permitted;

(10) "Directors," when applied to corporations, includes managers or trustees;

(11) "Domestic," when applied to corporations, means all those incorporated or formed by authority of this state;

(12) "Domestic animal" means any animal converted to domestic habitat;

(13) "Federal" refers to the United States;

(14) "Foreign," when applied to corporations, includes all those incorporated or formed by authority of any other state;

(15) "Generally accepted accounting principles" are those uniform minimum standards of and guidelines to financial accounting and reporting as adopted by the National Council on Governmental Accounting, under the auspices of the Municipal Finance Officers Association and by the Financial Accounting Standards Board, under the auspices of the American Institute of Certified Public Accountants;

(16) "Humane society," "society," or "Society for the Prevention of Cruelty to Animals," means any nonprofit corporation, organized under the laws of this state and having as its primary purpose the prevention of cruelty to animals;

(17) "Issue," as applied to the descent of real estate, includes all the lawful lineal descendants of the ancestors;

(18) "Land" or "real estate" includes lands, tenements and hereditaments and all rights thereto and interest therein, other than a chattel interest;

(19) "Legatee" and "devisee" convey the same idea;

(20) "May" is permissive;

(21) "Month" means calendar month;

(22) "Oath" includes "affirmation" in all cases in which an affirmation may be substituted for an oath;

(23) "Owner" when applied to any animal, means any person having a property interest in such animal;

(24) "Peace officer" includes sheriffs, constables, coroners, jailers, *administrators and correctional officers of regional jails operated pursuant to Section 13 of this Act,* marshals, policemen and other persons with similar authority to make arrests;

(25) "Penitentiary" includes all of the state penal institutions except the houses of reform;

(26) "Person" may extend and be applied to bodies-politic and corporate, societies, communities, the public generally, individuals, partnerships and joint stock companies;

(27) "Personal estate" includes chattels, real and other estate that passes to the personal representative upon the owner dying intestate;

(28) "Regular election" means the election in even numbered years at which members of Congress are elected and the election in odd numbered years at which state officers are elected;

(29) "Shall" is mandatory;

(30) "State" when applied to a part of the United States, includes territories, outlying possessions and the District of Columbia; "any other state" includes any state, territory, outlying possession, the District of Columbia, and any foreign government or country;

(31) "State funds" or "public funds" means sums actually received in cash or negotiable instruments from all sources unless otherwise described by any state agency, state-owned corporation, university,

department, cabinet, fiduciary for the benefit of any form of state organization, authority, board, bureau, interstate compact, commission, committee, conference, council, office or any other form of organization whether or not the money has ever been paid into the treasury and whether or not the money is still in the treasury if the money is controlled by any form of state organization, except for those funds the management of which is to be reported to the legislative research commission pursuant to KRS 42.600, 42.605 and 42.615;

(32) "Sworn" includes "affirmed" in all cases in which an affirmation may be substituted for an oath;

(33) "United States" includes territories, outlying possessions and the District of Columbia;

(34) "Vacancy in office," or any equivalent phrase, means such as exists when there is an unexpired part of a term of office without a lawful incumbent therein, or when the person elected or appointed to an office fails to qualify according to law, or when there has been no election to fill the office at the time appointed by law; it applies whether the vacancy is occasioned by death, resignation, removal from the state, county or district, or otherwise;

(35) "Violate" includes failure to comply with;

(36) "Will" includes codicils; "last will" means last will and testament;

(37) "Year" means calendar year; and

(38) "City" includes town.

SECTION 20. A NEW SECTION OF KRS CHAPTER 441 IS CREATED TO READ AS FOLLOWS:

When a change of venue is granted, the cost of incarcerating the defendant shall be paid by the county from which the action is removed.

SECTION 21. SECTION 2 OF 1984 HOUSE BILL 310 IS AMENDED AND REENACTED AS A NEW SECTION OF KRS CHAPTER 65 TO READ AS FOLLOWS:

(1) Except for capital improvements, utilities and building insurance and except as provided in subsection (2) of this section, the jailer shall have authority to authorize expenditures from the jail budget. Such expenditures shall only be made in accordance with the line item jail budget duly adopted or amended by the fiscal court and the established county procurement code or purchase order procedure of the county. Payment for purchases for the jail shall be subject to fiscal court approval prior to payment. The fiscal court shall not withhold approval of payment for jail expenditures which are within the jail budget and not unlawful.

(2) The jailer shall submit, in accordance with county payroll procedures, time reports for all full-time and part-time jail personnel and employes to the county treasurer or other designated payroll official. The county treasurer shall review and pay such claims in accordance with policies and procedures for the payment of other county employes.

Section 22. Section 3 of 1984 House Bill 310 is repealed.

Section 23. Acts 1982, Chapter 385, Section 51 is repealed.

Section 24. Section 17 of this Act shall become effective on January 6, 1986.

The Committee on Education reported **SB 135** with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

The Committee on Education reported **HB 403, HB 799, HB 884, HB 981, SB 169, SB 185, SB 202, SB 269** with Committee Amendments attached thereto, **SB 303, SB 335, SB 364, SB 390, SCR 30** with Committee Substitute attached thereto, and **SCR 42** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 403, AN ACT relating to sick leave for school employes or teachers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 161.155 is amended to read as follows:

(1) As used in this section:

(a) "Teacher" shall mean any person for whom certification is required as a basis of employment in the common schools of the state.

(b) "Employe" shall mean any person, other than a teacher, employed in the public schools, whether on a full or part time basis.

(c) "Immediate family" shall mean the teacher's spouse, children including stepchildren, parents and spouse's parents without reference to the location or residence of said relative.

(2) Each district board of education shall allow to each teacher in its common school system not less than ten (10) days of sick leave during each school year, without deduction of salary. Sick leave shall be

granted to a teacher if he presents a personal affidavit or a certificate of a physician stating that the teacher was ill or that the teacher was absent for the purpose of attending to a member of his immediate family who was ill. The ten (10) days of sick leave herein granted may be taken by a teacher on any ten (10) days of the school year and shall be granted in addition to accumulated sick leave days that have been credited to the teacher under the provisions of subsection (3) of this section.

(3) Days of sick leave not taken by a teacher during any school year shall accumulate without limitation and be credited to that teacher. Accumulated sick leave may be taken in any school year. Any district board of education may, in its discretion, allow teachers in its common school system sick leave in excess of the number of days prescribed in this section. Any accumulated sick leave days, not to exceed thirty (30) days, credited to a teacher shall remain so credited in the event he transfers his place of employment from one school district to another within the state or to the Kentucky department of education.

(4) Accumulated days of sick leave shall be granted to a teacher, if prior to the opening day of the school year, an affidavit or a certificate of a physician is presented to the district board of education, stating that the teacher is unable to commence his duties on the opening day of the school year, but will be able to assume his duties within a period of time that the board determines to be reasonable.

(5) *Upon retirement of an employe or teacher, the district board of education shall compensate the employe or teacher for any unused sick leave days at a rate of not less than thirty percent (30%) of the daily rate calculated on the last annual salary paid to the employe or teacher* [~~After July 1, 1982, a district board of education may compensate, at the time of retirement, an employe or a teacher for each unused sick leave day. The rate of compensation for each unused sick leave day shall be based on a percentage of the daily salary rate calculated from the employe's or teacher's last annual salary, not to exceed thirty percent (30%)~~]. Payment for unused sick leave days shall be incorporated into the annual salary of the final year of service; provided that the member makes the regular retirement contribution for members on the sick leave payment. The accumulation of such days includes unused sick leave days held by the employe or teacher at the time of implementation of such a program.

(6) Payments to teachers and employes made by a district board of education under the provisions of this section are presumed to be for services rendered and for benefit of the common schools and such payments do not affect the eligibility of any school district to share in the distribution of funds from the public school foundation program fund as established in KRS Chapter 157.

HB 799, AN ACT relating to teachers retirement.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 161.600 is amended to read as follows:

(1) Effective July 1, 1978, a member of the retirement system may qualify for service retirement by meeting either of the following requirements:

(a) Attainment of age fifty-five (55) years and completion of five (5) years of Kentucky service, two (2) years of which are subsequent to July 1, 1941, or

(b) Completion of *twenty-seven (27)* [~~thirty (30)~~] years of Kentucky service, two (2) years of which are subsequent to July 1, 1941. [~~A member having less than thirty (30) years of service may retire with benefits reduced according to the following schedule:~~

~~29 years - 90% of benefits~~
~~28 years - 80% of benefits~~
~~27 years - 70% of benefits.~~]

(c) Benefits will be reduced in accordance with KRS 161.620 for persons qualifying under *paragraph* (a) *of this subsection* who are less than age sixty (60) years.

(2) Any member shall be automatically retired as of July 1 next following his seventieth (70th) birthday, providing, however, that a member reaching age seventy (70) and having fewer than five (5) years of Kentucky service, two (2) years of which are subsequent to July 1, 1941, shall receive a refund of the member's accumulated contributions as provided in KRS 161.470(6) in lieu of a retirement annuity.

(3) Any person who has been a teacher in Kentucky for twenty-seven (27) years or more and who withdraws from teaching after July 1, 1941, and before reaching the age of sixty-five (65) years may continue to pay into the fund each year, until the end of the fiscal year in which he reaches the age of sixty-five (65) years, the current contribution rate based on the annual compensation received during his last full year as a teacher. If he so elects he shall at any time be entitled to receive a retirement allowance as provided in KRS 161.620. No member shall make contributions as provided for above if such member is at the same time making contributions to another retirement system in Kentucky supported wholly or in part by public funds.

(4) Service credit in the Kentucky employes retirement system, the state police retirement system, the legislators' retirement plan, the county employes or the judicial retirement system may be used in meeting the

service requirements of subsections (1)(a) and (1)(b) of this section, provided such service is subsequent to July 1, 1956.

(5) No retirement annuity shall be effective until written application and option election forms are filed with the retirement office in accordance with regulations of the board of trustees.

(6) The surviving spouse of an active contributing member, if named as beneficiary of the member's account, may purchase retirement credit that the member was eligible to purchase prior to his death.

Section 2. KRS 161.620 is amended to read as follows:

(1) The retirement allowance, in the form of a life annuity with refundable balance, of a member retiring for service shall be calculated as follows:

(a) For retirements effective July 1, 1980, and thereafter, the annual allowance for each year of service performed prior to July 1, 1941, shall be one hundred dollars ($100) and the annual allowance for each year of service performed after July 1, 1941, shall be two percent (2%) of the final average salary. Actuarial discounts due to age or service credit at retirement may be applied as provided in this section.

(b) For retirements effective January 1, 1984, and thereafter the annual allowance shall be determined as set out in subsection (1)(a) of this section, except that the allowance for service performed after January 1, 1984, shall be valued at the annual rate of two and one-half percent (2 1/2%) of the final average salary for all members not employed by a state university or college. For purposes of implementing the change in the value of a year of service, the board of trustees shall establish by regulation, the value of services performed during the 1983-84 fiscal year but in no case shall the value of service performed during the 1983-84 fiscal year exceed two and one quarter percent (2.25%).

(c) If the member has five (5) years or more of Kentucky service, but less than *twenty-seven (27)* [~~thirty (30)~~] years of such service credit, the allowance shall be reduced actuarially for the number of years the member is less than sixty (60) years of age or by the number of years the service credit is less than *twenty-seven (27)* [~~thirty (30)~~] years, whichever is the lesser number. The board of trustees shall adopt an actuarial table of discounts for the purpose of calculating these allowances.

(2) Effective July 1, 1980, and annually on July 1 thereafter, the retirement allowance of each retired member and of each beneficiary of a retirement option shall be increased in the amount of one percent (1%).

(3) Any member qualifying for retirement under a life annuity with refundable balance shall be entitled to receive an annual allowance amounting to not less than eighty-eight dollars ($88) multiplied by the service credit years of the teacher, except that no retired teacher who was sixty (60) years of age or older at retirement, and who has five (5) years or more service credit in a position covered by the teachers' retirement system shall receive a monthly benefit of less than seventy-five dollars ($75). The above minimums shall be effective July 1, 1978, and shall apply to those members retiring on or subsequent to that date.

(4) The minimum provided in this section shall apply in the case of teachers retired or retiring under an option other than a life annuity with refundable balance in the same proportion to the benefits of the teacher and his beneficiary or beneficiaries as provided in the duly adopted option tables at the time of the member's retirement.

(5) Effective July 1, 1982, the monthly allowance of each member retired on or before July 1, 1981, and each recipient of a retirement option of such retired members shall be increased in the amount of one percent (1%) of the monthly allowance for each year the member has been retired up to a maximum of five (5) years. The percentage increases shall be based on an assumed maximum allowance of one thousand dollars ($1,000) per month of annuity in effect the previous month.

(6) Effective July 1, 1983, the monthly allowance of each member retired on or before July 1, 1982, and each recipient of a retirement option of such retired member shall be increased in the amount of one percent (1%) of the monthly allowance for each year the member had been retired up to a maximum of five (5) years. The percentage increases shall be based on an assumed maximum allowance of one thousand dollars ($1,000) per month of annuity in effect the previous month.

(7) Effective July 1, 1980, monthly payments of two hundred dollars ($200) shall be payable for the benefit of an adult child of a member retired for service when the child's mental condition is sufficient to cause dependency on the member at the time of retirement. Eligibility for this payment shall continue for the life of such child or until such time as the mental condition creating the dependency no longer exists. Benefits under this subsection shall not apply to adopted children. The board of trustees shall be the sole judge of eligibility or dependency and may require formal application or information relating thereto.

(8) The cost of providing the statutory cost-of-living increases for retired members during 1980-82 and 1982-84 shall be funded by annual appropriations from the state on an amortized basis over the lifetime of the recipients. When the earnings on investments of the retired teacher savings exceeds the actuarial assumed rate of interest, the board of trustees may allocate such excess earnings toward the funding of the amortized payments required during the 1982-84 biennium for the cost-of-living increases approved under subsections (5) and (6) of this section.

HB 884, AN ACT relating to teacher certification.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 161.020 is amended to read as follows:

(1) No person shall be eligible to hold the position of superintendent, principal, teacher, supervisor, director of pupil personnel, or other public school position for which certificates may be issued, or receive salary for services rendered in such position, unless he holds a certificate of legal qualifications for such position.

(2) No person shall enter upon the duties of a position requiring certification qualifications until his certificate has been filed or credentials registered with the board of education employing him.

(3) The validity and terms for the renewal of any certificate shall be determined by the laws and regulations in effect at the time the certificate was issued.

(4) The provisions of KRS 161.030 notwithstanding, a person holding a degree in hospitality - food service education or management from an accredited institution shall be eligible for certification as a vocational teacher of commercial foods.

HB 981, AN ACT relating to education of state agency children.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 158.135 is amended to read as follows:

As used in this section, unless the context otherwise requires:

(1) *"State agency children" means those children of school age committed to or in custody of a cabinet for human resources operated or contracted institution or facility, or cabinet for human resources operated or contracted day treatment center, designated by the secretary of the cabinet for human resources for the treatment of mental illness, emotional disturbance, mental retardation, or behavior disorders* [~~"Out-of-district children," means those children of school age located in a state-operated institution or state-operated day treatment center~~].

(2) "Current costs and expenses," means all expenditures, other than for capital outlay and debt service, which, in the final result, are an actual charge on the tax revenue of the school district for the furnishing of school services to *state agency* [~~out-of-district~~] children. Among other things, "current costs and expenses" does not include those expenditures for which the school district receives reimbursement from any source, other than from the state under the provisions of this section. However, in determining such costs and expenses, consideration shall be given to the fact that classroom units are more expensive for exceptional children.

(3) Any county or independent school district which provides elementary or secondary school services to *state agency* [~~out-of-district~~] children shall be reimbursed by the department of education, out of funds not required by law to be expended for other purposes or in any other manner, in an amount equal to all current costs and expenses of the district for furnishing such services in excess of any per capita distribution received from the common school fund on behalf of the children. The school services furnished to *state agency* [~~out-of-district~~] children shall be substantially equal to those furnished to other school children of the district.

(4) The school district shall make to the superintendent of public instruction such reports as he requires concerning school services for *state agency* [~~out-of-district~~] children, and shall file with the *cabinet for human resources* [~~state agency~~] operating the institution or day treatment center *or contracting for such services* in which the children are located a copy of the annual report made to the superintendent of public instruction.

(5) The school district, at the end of each school year, shall make application to the superintendent of public instruction for the reimbursement due on behalf of school services furnished during the year just ended. After approving the application, the superintendent of public instruction shall notify the secretary of the department of finance who shall cause a warrant, in the appropriate amount, to be drawn in favor of the school district.

(6) Notwithstanding the provisions of any other statute, school districts furnishing services to *state agency* [~~out-of-district~~] children may operate a year-round program for such children and may be compensated on a year-round basis provided that priority in allotting funds shall be given to one hundred eighty-five (185) day school programs.

SB 169, AN ACT relating to testing pupils.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 158 IS CREATED TO READ AS FOLLOWS:

(1) By January 1, 1987, the state board of education shall assure that each pupil in the public schools of the Commonwealth is taught and is mastering the essential skills necessary to function in each basic skills area defined by KRS 158.650. The state board of education shall:

(a) By July 15, 1984, determine the essential skills necessary for pupils to successfully complete each grade level. The essential skills shall be established for each of the basic skills areas established by KRS 158.650 for kindergarten and grades one (1) through twelve (12), though such essential skills established for kindergarten shall not be required for all the basic skills areas. Parents, teachers, administrators and representatives of groups interested in education shall be consulted in determining the essential skills. At least every four (4) years, the essential skills shall be reviewed and revised if necessary;

(b) Prior to the 1984-85 school year, disseminate the essential skills to local school districts and require the essential skills be taught to each pupil, at each grade level, in each public school;

(c) By April 1, 1985, develop and disseminate tests to determine mastery of essential skills for mathematics and reading for each grade level to local school districts for administration prior to the end of the 1984-85 school year. Tests to determine mastery of essential skills for all basic skills areas set forth in KRS 158.650 shall be developed for each grade level and disseminated to all local school districts for administration prior to the end of the 1985-86 school year and all school years thereafter; and

(d) Score or cause to be scored all tests specified in paragraph (c) of this subsection, compile and analyze results, and assist local school districts interpreting tests results and in developing programs to improve academic performance.

(2) The superintendent shall report to the 1986 General Assembly on the progress of the implementation of this Act and make recommendations regarding the feasibility of requiring successful mastery of essential skills a prerequisite for promotion at selected grade levels and graduation from high school.

(3) Pupils identified as exceptional children pursuant to KRS 157.200 may be exempt from the requirements of this Act if such exemption is in compliance with state board of education regulations and is recommended by the admissions and release committee. Exemptions shall be included in the pupil's individual educational plan.

(4) (a) Based on the results of the essential skills test, the department of education shall determine the number and type of units needed for each district to provide a remedial instruction program for the pupils who achieve ten percent (10%) or more below the acceptable level of mastery and notify the districts of their tentative allotment based on pupil need. In the event a greater number of units are needed than are appropriated in the biennial budget, the department of education shall adjust the allotment to districts in a manner which is proportionate to the need as indicated by the essential skills test results.

(b) Supplemental classroom units, to include only a salary allotment and current operating expense allotment, as defined in KRS 157.360, shall be allotted to local school districts to provide a remedial instruction program for each thirteen (13) pupils who at the end of their kindergarten, first, or second grade years achieve twenty-six percent (26%) or more below the acceptable level of mastery of the essential skills as determined by state board of education regulations.

(c) A salary allotment for a teacher aide as defined in KRS 161.010(5), shall be allotted for each twenty (20) pupils who at the end of their kindergarten, first, or second grade years achieve ten percent (10%) to twenty-five percent (25%) below the acceptable level of mastery of the essential skills. The supplemental classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without approval of the governor.

SB 185, AN ACT relating to the establishment of the governmental services center at Kentucky State University.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 42.016 is amended to read as follows:

The following corporate bodies and instrumentalities of the Commonwealth shall be attached to the office of the secretary for administrative purposes and staff services:

(1) Financial disclosure review commission;
(2) State property and buildings commission;
(3) Kentucky pollution abatement authority;

(4) Capital plaza authority;
(5) Kentucky savings bond authority;
(6) County officials compensation board;
(7) Kentucky public employes deferred compensation board;
(8) State investment commission;
(9) Governmental services center.

SECTION 2. A NEW SECTION OF KRS CHAPTER 164 IS CREATED TO READ AS FOLLOWS:

(1) There is established as a separate administrative body of state government the governmental services center at Kentucky State University which shall be attached to the finance and administration cabinet for administrative purposes. The center shall be governed by the governmental services center authority.

(2) The authority shall consist of the president of Kentucky State University, who shall be chairman, the secretary of the finance and administration cabinet, the commissioner of the department of personnel, two (2) members appointed by the governor, each of whom shall serve as ex officio voting members of the authority, and two (2) other voting members to be appointed by the chairman of the authority. Appointed members shall be citizens and residents of the Commonwealth of Kentucky. The initial term of one (1) of the members appointed by the chairman shall be for two (2) years, and the initial term of the other appointed member shall be for a term of four (4) years; thereafter, all appointments shall be for terms of four (4) years, but appointed members shall be removable at will by the chairman of the authority.

(3) The governmental services center at Kentucky State University, under direction of the authority, shall be responsible for the development, coordination, content, approval and implementation of all training, employe development, and related programs conducted for and on behalf of all program cabinets, departments, administrative bodies and program managers of the state government. The center shall conduct, or cause to be conducted, ongoing management training programs for all program managers and supervisors within the executive branch of state government. The organizational units whose supervisors and managers received training at the center shall share the cost of the training on a pro-rata basis. The center shall encourage the enrollment of state employes in academic courses and programs at Kentucky State University. If desired academic courses are not available at the university, and cannot feasibly be developed by the university, other universities and community colleges within the Commonwealth shall be utilized. The authority shall determine the appropriateness of all such programs.

(4) The authority may employ an executive director and other employes necessary to perform the functions of the center in accordance with the provisions of KRS Chapters 18 and 18A. The executive director or any staff member of the center may hold concurrently with their employment by the center, and subject to the provisions of KRS 164.360 and 164.365, faculty appointments of appropriate rank at Kentucky State University.

(5) Members of the authority who are not either state or university employes shall be reimbursed for their actual expenses in attending meetings for the authority.

Section 3. KRS 18A.025 is amended to read as follows:

(1) The governor shall appoint the commissioner of personnel as provided in KRS 18A.015, who shall be considered an employe of the state. He shall be a graduate of an accredited college or university and have at least five (5) years experience in personnel administration or in related fields, have known sympathies with the merit principle in government and shall be dedicated to the preservation of this principle. Additional education may be substituted for the required experience and additional experience may be substituted for the required education.

(2) The department of personnel shall be a department in the finance and administration cabinet, and the commissioner shall have such duties and responsibilities as assigned by the secretary of the finance and administration cabinet, and shall be responsible to and report to the secretary.

(3) There is established within the department of personnel the following divisions, each of which shall be headed by a director appointed by the secretary of the finance and administration cabinet, pursuant to KRS 12.050;

(a) The division of classification and compensation, which shall be responsible for, but not limited to, the maintenance of plans of classification and compensation for the state service; for the review and evaluation of these plans; and for the coordination of programs providing services to employes;

(b) The division of agency relations, which shall be responsible for, but not limited to, the maintenance of central personnel files on employes in the state service, preparation of registers of candidates for state employment, processing of personnel documents, the services and staff for the personnel board, and counseling state agencies regarding personnel programs;

(c) The division of applicant counseling and examinations, which shall be responsible for, but not limited to, the operation of a centralized applicant counseling and examination program for state employment and outreach programs such as the administrative intern program; *and*

(d) The division of employe benefits and payroll, which shall be responsible for, but not limited to, design and administration of employe benefits, coordination of the workers' compensation program, management information, coordination of equal employment opportunity and affirmative action, and certification of payrolls of various state agencies[~~; and~~

~~(c) The division of career training, which shall be responsible for, but not limited to, the coordination and implementation of all education and training programs, with a special emphasis on managerial and office technical skills within the executive branch~~].

(4) The department shall include such principal assistants appointed by the commissioner, pursuant to KRS 12.050, as may be necessary for the development and implementation of policy. The commissioner may employ, pursuant to the provisions of KRS Chapter 18, such personnel as necessary to execute the functions and duties of the department.

Section 4. The General Assembly confirms Executive Orders 82-688 and 83-156. To the extent these Executive Orders may be in conflict Executive Order 83-156 shall supersede 82-688. But the language of neither Executive Order shall be construed to extend provisions of this section or conflict with provisions herein.

SB 202, AN ACT relating to educational improvement.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 158.650 is amended to read as follows:

As used in KRS 158.660 to 158.730, unless the context otherwise requires:

(1) "Department" means the state department of education;

(2) "Competencies" means the possession of skills, knowledge and understandings to the degree they can be demonstrated or measured;

(3) "Basic skills" means reading, writing, spelling, mathematics, and reference skills;

(4) "Product goals" means expected student *and school district* outcomes as approved by the state board of education;

(5) "Process goals" means systematic and orderly procedures *including specific actions and time frames* to be followed in achieving product goals; [~~and~~]

(6) "Reference skills" means the library skills of locating and utilizing various sources of information*;*

(7) "Essential skills" means those skills identified in academic subject areas by the state board of education as being necessary for a student to master.

(8) "Standards" means acceptable levels of attainment school districts shall meet in program and service offerings and students shall meet in attaining competencies in the essential skills as established by the state board of education;

(9) "Educationally deficient school districts" means school districts which do not meet minimum standards in program and service offerings or in which insufficient numbers of students meet minimum standards of attainment of competencies in the essential skills;

(10) "Annual performance report" means the report published annually by each local board of education that presents the district's performance with regard to product goals as established by state board of education regulations;

(11) "Accreditation report" means the report prepared by a department evaluation team and approved by the state board of education that assesses the availability and adequacy of the resources that are needed in a local school district to provide an adequate education program as defined by state board of education regulation; and

(12) "Educational improvement plan" means the plan developed by a local school district in consultation with, and approved by, the state board of education that establishes the process goals to correct identified deficiencies in product goals and is approved by the local board of education and the state board of education.

Section 2. KRS 158.660 is amended to read as follows:

It is the intention of the general assembly in enacting KRS 158.650 to 158.740 *and this Act:*

(1) To assure the right of each student in the public schools of this state to acquire the *competencies in the essential* [~~basic knowledge and reference~~] skills *necessary* [~~essential~~] for completing high school, pursuing a course of study in post secondary education, or entering the work force in our society*;*

(2) To [~~. It is further the intention of the general assembly to~~] assure each student in the public schools access to those programs and services appropriate to his educational needs in the areas of *competencies in the essential* [~~basic academic and reference~~] skills*;*

(3) To assure that each school district will be held accountable for students in meeting standards of attainment of competencies in the essential skills and for meeting standards in providing programs and services for students;

(4) To require the state board of education to establish standards by which acceptable levels of attainment shall be determined; and

(5) To require the state board of education to identify school districts which are educationally deficient and to provide such districts with program, financial, and other consultation and assistance as necessary to develop and implement strategies and programs to eliminate deficiencies [~~development~~].

SECTION 3. A NEW SECTION OF KRS CHAPTER 158 IS CREATED TO READ AS FOLLOWS:

(1) The state board of education shall establish standards which school districts shall meet in program and service offerings and set forth the minimum performance for students in attaining competencies in the essential skills pursuant to Section 2 of this Act.

(2) The state board of education shall declare a school district to be educationally deficient when, in any school year, the district fails to meet or make satisfactory progress toward meeting minimum program and service standards or an insufficient number of students, as defined by state board of education regulations, fail to attain or fail to make satisfactory progress toward attaining minimum competency in the essential skills standards established pursuant to subsection (1) of this section.

(3) The superintendent of public instruction, upon approval of the state board of education, shall provide consultation and assistance to any school district which has been declared educationally deficient by the state board of education in eliminating the deficiency. The school districts shall be provided consultation and guidance relative to programs, services, finances, personnel, and any other areas wherein appropriate changes would be reasonably calculated to eliminate or alleviate the deficiency and in developing and implementing an educational improvement plan pursuant to KRS 158.710. Such changes, whenever allowable under Kentucky revised statutes, may include more expeditious correction of accreditation report deficiencies, improved personnel administration, more efficient management practices and other administrative and academic actions to improve the local districts' performance.

(4) Failure by an educationally deficient school district to implement the approved educational improvement plan shall be grounds for the superintendent of public instruction, with the concurrence of the state board of education, to intervene in the operation of a local school district and limit the authority of the local superintendent and local board of education to act in the following areas:

(a) Expenditure of funds;
(b) Employment and dismissal of personnel;
(c) Establishment and modification of the school calendar;
(d) Instructional program and policies;
(e) Student code of conduct; and
(f) Other areas as may be designated by state board of education regulation.

(5) Action initiated pursuant to subsection (4)(b) of this section, relative to employment and dismissal of personnel, shall be in accordance with the provisions of KRS 161.720 to 161.990. To facilitate the implementation of the educational improvement plan in an educationally deficient school district, the superintendent of public instruction, with the approval of the state board of education, may require an annual reallocation of an amount not to exceed twenty-five percent (25%) of the power equalization program funds received by the district to address program and service needs outlined in the educational improvement plan.

(6) Failure to implement the educational improvement plan shall constitute grounds for removal from office pursuant to KRS 156.132 to 156.136. This Act shall not be deemed to create a statutory cause of action for educational malpractice by students, their parents or guardians.

Section 4. KRS 158.670 is amended to read as follows:

The department of education shall administer the provisions of KRS 158.660 to 158.730 *and this Act* pursuant to regulations adopted by the state board of education upon recommendation of the superintendent of public instruction.

Section 5. KRS 158.690 is amended to read as follows:

The department shall develop and implement a statewide assessment program in accordance with the following:

(1) This program shall be for the purpose of measuring and reporting student progress and achievement in the basic skills in grades 3, 5, 7 and 10 and other product goal *and competency* areas as determined by the state board of education upon recommendation of the superintendent of public instruction;

(2) Appropriate tests shall be administered annually;

(3) Results of these tests shall be compiled on a statewide, district and school basis by the department and be made available to the governor, the state advisory committee for educational improvement, the legislative research commission, the state board of education, and local boards of education. *Local boards of education shall publish in the newspaper with the largest circulation in the county by October 1 of each year an annual performance report on district accomplishments and activities pertaining to product goals including, but not limited to, retention rates and student performance on basic and essential skills tests by school and grade level, the districts' goals for the succeeding year and other items as may be set forth in state*

board of education regulation;

(4) The results of these tests shall be used by local boards of education for the development of educational improvement plans and shall not be used for the evaluation of teachers or administrators for the purpose of promotion, demotion, transfer, or dismissal.

Section 6. KRS 158.700 is amended to read as follows:

The department shall assume the following functions in implementing the educational improvement act:

(1) The department shall purchase or cause to be developed tests appropriate to the Commonwealth of Kentucky for measuring student progress and achievement in the basic skills in grades 3, 5, 7 and 10. These tests shall be reviewed for appropriateness and shall be modified or revised as is necessary.

(2) The department shall purchase or cause to be developed tests appropriate to 3rd, 5th, 7th, and 10th grade students in Kentucky for measuring proficiency in other product goal areas as determined by the state board of education upon recommendation of the superintendent of public instruction. These tests shall be reviewed for appropriateness and shall be modified or revised as is necessary.

(3) The department shall cause to be administered annually, all tests specified in subsections (1) and (2) of this section to all students in grades 3, 5, 7 and 10 in all of the public schools of the state;

(4) The department shall score or cause to be scored all tests specified in subsections (1) and (2) of this section, compile results for each local school district, and return these results to the appropriate district by August 1 of each year;

(5) The department shall, upon the request of a local school district, provide assistance in interpreting test results;

(6) The department shall, upon request of a local school district, provide technical assistance in the area of program development *and in districts declared educationally deficient by the state board of education, the department shall provide assistance as provided in Section 3, subsection (3) of this Act*;

(7) The department shall review and approve local plans for educational improvement consistent with guidelines approved by the state board of education; and

(8) The department of education shall annually review both state process and product goals and modify when appropriate.

Section 7. KRS 158.710 is amended to read as follows:

Each local school district in the state shall assume the following responsibilities and functions in implementing the provisions of KRS 158.660 to 158.730 *and this Act*:

(1) Each local school district shall develop a plan to improve the education of all students in grades 1 through 12. In developing these plans and prior to their approval by the local board of education, local districts shall involve local citizens, parents, students, teachers, and administrators. *School districts declared to be educationally deficient by the state board of education under Section 3 of this Act shall involve department of education consultants in the development of their plan*;

(2) Each local district board of education shall by May 1, 1983, and every three (3) years thereafter, submit to the state department of education for approval a local plan for educational improvement which will be in effect for three (3) years or until such time as it is revised, whichever occurs first. If a plan is revised, succeeding plans will be submitted to the state department of education every three (3) years from the date of revision. *School districts declared to be educationally deficient by the state board of education under Section 3 of this Act shall submit a plan each year until the deficiency has been eliminated*;

(3) Local school personnel shall ascertain areas of strength and areas of needed improvement in the school program as revealed by the test results and other student assessments and with the advice and counsel of the representatives mentioned in subsection (1) of this section, shall develop appropriate programs to address educational areas of needed improvement for grades 1 through 12;

(4) The educational improvement plan developed and submitted by each local school district to the department shall include the following:

(a) Process goals [~~for educational improvement. These shall be developed under the provisions of subsection (1) of this section~~];

(b) Product goals [~~applicable to the local school district. These may be the product goals adopted by the state board of education or some adaptation consistent with them~~];

(c) A list of individuals, by occupation, or groups involved in developing the plan;

(d) The areas of needed improvement as revealed by the district assessment results;

(e) A list of priorities for program implementation;

(f) The objectives and activities deemed appropriate and necessary for alleviating the observed educational areas of needed improvement ;

(g) A calendar of events, or timeline, for implementation;

(h) A brief report, each succeeding year after submission of the initial plan, of the program status and of progress made in areas of needed improvement.

Section 8. KRS 158.730 is amended to read as follows:

To assure effective implementation of KRS 158.650 to 158.740, the department shall, upon passage, develop and submit to the governor, the state advisory committee for educational improvement, the legislative research commission, and the state board of education a comprehensive plan for achieving the priorities and programs set forth in KRS 158.690, 158.700 and 158.710 *and this Act.* Such plan shall include, but not be limited to, the specific responsibilities assigned to the department and local school districts; procedures for involving the state advisory committee for educational improvement; means of utilizing guidance and counseling personnel; *implementation procedures for the essential skills testing program;* and implementation processes and schedules.

SB 269, AN ACT relating to coaches of athletic teams.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 161.020 is amended to read as follows:

(1) No person shall be eligible to hold the position of superintendent, principal, teacher, supervisor, director of pupil personnel, or other public school position for which certificates may be issued, or receive salary for services rendered in such position, unless he holds a certificate of legal qualifications for such position.

(2) *School districts may employ as coaches of athletic teams persons who hold or have held a valid teaching certificate and who, at the discretion of the district board of education, may or may not be employed in a public school position for which certificates may be issued. Persons so employed shall have the same responsibilities for supervision of pupils' conduct pursuant to KRS 161.180 and the same legal status and protection as persons employed in a position for which certificates may be issued, but shall not be eligible for continuing service status pursuant to KRS 161.740 or for the retirement provisions of KRS 161.220 through 161.714. The state board of education shall not approve any rules, regulations, or bylaws of any organization or agency which are contrary to the provisions of this subsection.*

(3) No person shall enter upon the duties of a position requiring certification qualifications until his certificate has been filed or credentials registered with the board of education employing him.

(4)[~~(3)~~] The validity and terms for the renewal of any certificate shall be determined by the laws and regulations in effect at the time the certificate was issued.

The Committee Amendment No. 1 to **SB 269** is as follows:

Amend printed copy of **SB 269,** on page 1, line 14, after the word "*Persons*" insert "*employed as coaches who are not employed in a position for which a certificate is required*"; after the word "*Persons*" delete "*so employed*".

On page 1, line 20, after ".", insert: "*The base salary for persons so employed shall not exceed the base salary for certified personnel with similar rank and experience established by the school districts' salary schedule.*"

The Committee Amendment No. 2 to **SB 269** is as follows:

Amend printed copy of **SB 269,** on page 1, line 11, after "*certificate*" delete all new language through "*issued*" on line 14.

SB 303, AN ACT relating to the school term.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 158.060 is amended to read as follows:

Twenty (20) school days, or days in which teachers are actually employed in the schoolroom, shall constitute a school month in the common schools. The legal holidays designated by the state board of education to be observed may include the first Tuesday after the first Monday in November of each year and shall be counted as school days. No teacher shall teach on Saturdays except in cases of emergency and then only upon authorization of the state board of education. Except for children attending kindergarten, readiness classes, first grade classes, and the handicapped, who may attend a program of less than six (6) hours per day under policy adopted by the local school district board of education and approved by the state board of education, six (6) hours of actual school work shall constitute a school day. The daily session, including recesses and intermissions, shall not exceed nine (9) hours. *The state board of education, upon recommendation of the superintendent of public instruction, shall develop and approve regulations governing make up by school districts of whole days missed due to emergencies, or partial days missed as a result of shortening regularly scheduled school days due to emergencies* [~~A local board of education, with the approval of the state board for elementary and secondary education, may extend the regular school day, when necessary, to make up days missed as a result of emergency, providing that the extended school day shall not exceed nine (9) hours. If a school district has adopted an extended school day before such emergency, the time in excess of the minimum school day may, with the approval of the state board for elementary and secondary education, be used to make up days missed as a result of emergency~~].

Section 2. KRS 158.070 is amended to read as follows:

(1) The minimum school term shall be one hundred eighty-five (185) days. A board of education may extend its term beyond the minimum term set by the superintendent of public instruction. In setting the school calendar, school shall be closed for two (2) consecutive days for the purpose of permitting professional school employes to attend statewide professional meetings. These two (2) days for statewide professional meetings shall be scheduled to begin with the first Thursday after Easter or upon request of the statewide professional educational association having the largest paid membership, the superintendent of public instruction may designate alternate dates. Furthermore, the superintendent of public instruction shall designate one (1) additional day during the school year when schools shall be closed for the purpose of permitting professional school employes to participate in regional or district professional meetings. These three (3) days so designated for attendance at professional meetings shall not be counted as a part of the minimum school term.

(2) Any local board of education operating its schools on a year-round school program basis shall conform with regulations promulgated and adopted by the state board of education upon the recommendation of the state superintendent of public instruction, which regulations must be in conformity with the following criteria:

(a) The year-round school program shall be operated on a fiscal year beginning July 1 and ending June 30.

(b) A pupil's required attendance in school shall be for at least the minimum term.

(c) No teacher shall be required to teach more than the minimum term during the school year.

(3) Each local board of education shall use four (4) days of the minimum school term for in-service professional development and planning activities for the professional staff without the presence of pupils. The board of education of any school district may use up to a maximum of four (4) days of the minimum school term for holidays, provided, however, any holiday which occurs on Saturday may be observed on the preceding Friday, two (2) days for the opening and closing of schools without the presence of pupils, the number of days deemed necessary for*:*

(a) National or state disaster or mourning when proclaimed by the President of the United States or the governor of the Commonwealth of Kentucky, and

(b) Local disaster which would endanger the health or safety of children or mourning when so designated by the district board of education and approved by the state board of education upon recommendation of the superintendent of public instruction, and shall use one (1) day of excused absence for attendance at the Kentucky state fair for students applying for excused absence for this purpose.

(4) The state board of education, upon recommendation of the superintendent of public instruction, shall adopt regulations governing the use of school days, *including days missed from the regular school day as a result of local disaster, as defined in subsection (3)(b) of this section,* and regulations setting forth the guidelines and procedures to be observed for the approval of the days utilized for the opening and closing of school and the days utilized for in-service professional development and planning activities for the professional staff.

SB 335, AN ACT relating to instructional materials.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 156.447 is amended to read as follows:

(1) The state board of education, upon the recommendation of the superintendent of public instruction, may authorize school districts to select and use supplementary textbooks, print and audio-visual media materials and audio-visual equipment other than those selected and listed by the state textbook commission and adopted by adoption units.

(2) Pending general assembly appropriation, the superintendent of public instruction, subject to the approval of the state board of education and in accordance with documented district needs, shall make available each year a percentage of the elementary school textbook appropriation and a percentage of the high school textbook appropriation for the optional purchase of supplementary textbooks, print and non-print

media materials and audio-visual equipment needed to utilize the audio-visual materials being purchased.

(3) Local school districts may purchase supplementary textbooks, media materials and audio-visual equipment in accordance with regulations adopted by the state board of education upon the recommendation of the state superintendent of public instruction.

(4) Regulations relating to the purchase of media materials, audio-visual equipment and all other instructional materials and supplies by local school districts shall contain the following requirements:

(a) Items to be purchased should be identified as consumable or non-consumable;

(b) Each local school district shall establish a per pupil allocation of funds to purchase equipment, materials and supplies, and of this allocation a portion shall be for consumable items and the remainder for non-consumable items;

(c) Local school districts may use all or a portion of student fees as part of the per pupil allocation of funds to purchase instructional equipment, materials and supplies;

(d) Each local school district shall survey teachers to determine their needs for instructional equipment, materials, and supplies. The local district board of education shall take into consideration the survey of teacher needs in the purchase of instructional equipment, materials, and supplies; and

(e) A financial report on allocations to and expenditures for instructional equipment, materials and supplies shall be prepared annually by the school district and shall be a public record.

SB 364, AN ACT relating to certified school personnel.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 156 IS CREATED TO READ AS FOLLOWS:

(1) The purpose of this Act is to encourage and require the maintenance and development of effective instructional leadership in the public schools of the Commonwealth and to recognize that principals with the assistance of assistant principals, supervisors of instruction, guidance counselors, and directors of special education have the primary responsibility for instructional leadership in the schools to which they are assigned.

(2) For the purpose of this section, instructional leader shall be defined as an employe of the public schools of the Commonwealth holding a valid certificate as a principal, assistant principal, supervisor of instruction, guidance counselor or director of special education.

(3) In order to carry out the purpose of this section, the state board of education shall establish a statewide program to improve and maintain the quality and effectiveness of instructional leadership in the public schools of the Commonwealth.

(4) The instructional leader improvement program shall contain the following provisions:

(a) Effective July 14, 1984, each instructional leader employed by the public schools of the Commonwealth shall participate in a continuing intensive training program designed especially for instructional leaders;

(b) Every two (2) years each instructional leader shall complete an intensive training program approved by the state board of education to include no less than forty-two (42) participant hours of instruction;

(c) The state board of education shall prescribe specific criteria for the training program and may contract for the training with qualified agencies or institutions; and

(d) Completion of the required participant hours shall be reported to the state department of education and to the local school district. If an instructional leader fails to complete the required hours of training, he shall be placed on probation for one (1) year and, if the training is not completed during the probationary period, his certificate will be revoked.

(5) As a means of improving the educational productivity of Kentucky's public schools, of providing a method by which the citizens of the Commonwealth can be assured of measures of accountability of the performance of certified school employes, and of providing encouragement and incentives for certified school employes to improve their performance, the state board of education shall establish a statewide program for improving the performance of all certified school personnel, including instructional leaders.

(6) The certified employe evaluation programs shall contain the following provisions:

(a) Effective January 1, 1985, each certified school employe, including the superintendent, shall be evaluated by a system developed by the local school district and approved by the state department of education; and

(b) The state department of education shall develop written guidelines for local school districts to follow in developing and implementing an evaluation system and shall require the following:

1. All evaluations shall be in writing on evaluation forms and under evaluation procedures developed *by a committee composed of an equal number of teachers and administrators;*

2. The immediate supervisor of the certified school employe shall be designated as the primary evaluator;

3. All monitoring or observation of performance of a certified school employe shall be conducted openly and with full knowledge of the teacher;

4. Evaluation shall include a conference between the evaluator and the person evaluated;

5. Evaluators shall be trained in the proper techniques for effectively evaluating certified school employes and in the use of the school district evaluation system; and

6. The evaluation system shall include a plan whereby the person evaluated is given assistance for becoming more proficient as a teacher or administrator.

SECTION 2. A NEW SECTION OF KRS CHAPTER 156 IS CREATED TO READ AS FOLLOWS:

Section 1 of this Act shall be known as the "Effective Instructional Leadership Act."

SB 390, AN ACT relating to the foundation program.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 157.360 is amended to read as follows:

(1) In determining the cost of the foundation program for each district, the superintendent of public instruction shall allot to each district classroom units for elementary and secondary schools, classroom units for vocational education, classroom units for exceptional children, classroom units for kindergarten, classroom units for gifted and talented children when units are included in the executive budget, classroom units for superintendents, administrative and special instructional services, classroom units for supervisors of instruction, and classroom units for directors of pupil personnel; provided, however, that the number of classroom units allotted any district shall not exceed the number of teachers employed by the district.

(2) (a) In allotting classroom units for elementary and secondary schools, one (1) classroom unit shall be included for each twenty-seven (27) pupils in average daily attendance in grades one (1) through twelve (12); provided, however, that one (1) classroom unit shall be included for each isolated one-teacher school with twelve (12) or more pupils in average daily attendance and one (1) unit shall be included for each twenty-five (25) pupils in average daily attendance at all other isolated schools. The allotments of classroom units in this subsection shall be made on the average daily attendance for the end of the previous school year in public school grades one (1) through twelve (12) after the following deductions:

1. An average daily attendance of six and nine-tenths (6.9) in 1978-79 and eight and four-tenths (8.4) in 1979-80 shall be deducted for each vocational unit allotted; and

2. An average daily attendance of five and one-tenth (5.1) in 1978-79 and six and three-tenths (6.3) in 1979-80 shall be deducted for each exceptional children's unit allotted.

(b) If a local school district through its admission and release committee determines that an appropriate program in the least restrictive environment for a particular handicapped child includes either part-time or full-time enrollment with a private school or agency within the state or a public or private agency in another state, then the school district shall count this as average daily attendance in a public school the time that such child is in attendance at such school or agency, contingent upon approval by the state superintendent of public instruction and pursuant to KRS 158.130.

(c) Pupils attending a center for child learning and study established under an agreement pursuant to KRS 65.210 through 65.300 shall, for the purpose of calculating average daily attendance, be considered as in attendance in the school district in which the child legally resides and which is party to the agreement. For purposes of KRS 157.360(1), teachers employed in such a center shall be considered as employes of each school district which is a party to the agreement.

(3) Allotments of classroom units except those allotted in accordance with subsection (4) of this section, shall be increased when the average daily attendance in grades one (1) through twelve (12) in any district for the first two (2) months of the current school year is greater than the average daily attendance of the district in grades one (1) through twelve (12) for the first two (2) months of the previous school year. The total number of classroom units allotted the district shall be increased by the percent of increase.

(4) If the percentage of attendance of any school district shall have been reduced more than two percent (2%) during the previous school year, the number of classroom units allotted the district, except those allotted in accordance with subsection (3) of this section, for the current school year shall be increased by the difference in the percentage of attendance for the two (2) years immediately prior to the current school year less two percent (2%).

(5) In allotting classroom units for vocational education, one (1) classroom unit shall be allotted for each full-time teacher, and a proportionate fraction of a classroom unit shall be allotted for each less than

full-time teacher of vocational classes that meet the regulations of the state plan of vocational education as approved by the state board of education; a proportionate fraction of a classroom unit shall be allotted for each teacher employed to teach part-time or short unit classes for less than a school day or a school year that meet the regulations of the state plan of vocational education as approved by the state board of education. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without approval of the governor.

(6) (a) In allotting classroom units for exceptional children, one (1) classroom unit shall be included upon the employment of each teacher approved to teach such children in accordance with the provisions of law and Kentucky administrative regulations of the state board of education. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without approval of the governor. In addition to the classroom units allotted above, if a local school district, through its admission and release committee, determines that the most appropriate and least restrictive individual educational program for a particular handicapped child includes either part-time or full-time enrollment with a private school or agency, the school district shall be reimbursed in addition to the amount distributed under KRS 157.390(6), a pro rata allotment for those pupils under contract. The pro rata amount shall be calculated by dividing the district's average salary allotted for 185 days plus the current expense and capital outlay allotment per classroom unit by the maximum number of pupils required by regulations for the pupil's specific type of classroom unit.

(b) The superintendent of public instruction shall limit approval of additional private agencies for participation in state funding for the above cited program to those funds appropriated for this purpose in each biennial budget.

(c) In allotting classroom units for exceptional children for home and hospital instruction, one (1) unit excluding the capital outlay allotment, shall be allotted for each ten (10) children in average daily attendance in the current school year who have been properly identified according to state board of education regulations. Attendance shall be calculated pursuant to KRS 157.270 and shall be reported monthly on forms provided by the department of education.

(d) Pursuant to regulations of the department of education, a portion of the classroom units for exceptional children appropriated in the biennial budget may be used to provide home or hospital instruction on an hourly basis for pupils properly identified according to state board of education regulations. A reimbursement formula shall be established by regulation to include such factors as a reasonable per hour, per child allotment for teacher instructional time, with a maximum number of funded hours per week, a reasonable allotment for teaching supplies and equipment, a reasonable allotment for travel expenses to and from instructional assignments, but such formula shall not include an allotment for capital outlay. Attendance shall be calculated pursuant to KRS 157.270 and shall be reported monthly on forms provided by the department of education.

(7) (a) In allotting classroom units for administrative and special instructional services, the total number of classroom units allotted in subsections (2), (10) and (12) plus subsections (5) and (6) *of this section* before July 1, 1976 shall be divided by eight (8) and the quotient shall be the number of classroom units allotted to the district under this subsection.

(b) The total number of units allotted under subsection (5) *of this section* beyond those allotted in the school year 1975-76 times six and nine-tenths (6.9) in 1978-79 and eight and four-tenths (8.4) in 1979-80 average daily attendance plus the total number of units allotted under subsection (6) *of this section* beyond those allotted in the school year 1975-76 times five and one-tenth (5.1) in 1978-79 and six and three-tenths (6.3) in 1979-80 average daily attendance shall be divided by two hundred and sixteen (216) and the quotient shall be the number of classroom units allotted to the district under this subsection.

(c) The total of *paragraph* [~~subsection~~] (a) plus *paragraph* [~~subsection~~] (b) *of this subsection* shall be the number of classroom units allotted the district for administrative and special instructional services as authorized by Kentucky administrative regulations of the state board of education.

(8) In allotting classroom units for supervisors of instruction, one-half (1/2) of a classroom unit shall be allotted each district which is allotted twenty-five (25) through forty-nine and nine-tenths (49.9) classroom units under subsections (2), (5), (6), (10) and (12) *of this section*; one (1) unit shall be allotted each district which is allotted fifty (50) to one hundred (100) classroom units, one (1) unit shall be allotted for each one hundred (100) classroom units, or major fraction thereof, in districts allotted more than one hundred (100) classroom units under these subsections.

(9) In allotting classroom units for directors of pupil personnel, one (1) classroom unit shall be allotted each district which is allotted thirty-six (36) to one hundred and sixty-five and nine-tenths (165.9) classroom units under subsection (2) and a unit for each additional two hundred and sixty-six (266) classroom units or fraction thereof allotted under subsection (2). For districts having fewer than thirty-six (36) classroom units, a proportionate fraction of a classroom unit shall be allotted.

(10) In allotting classroom units for kindergarten, the superintendent of public instruction, under Kentucky administrative regulations of the state board of education, may allot units for kindergarten. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget

without approval of the governor.

(11) In allotting classroom units for superintendent, one unit shall be allotted each school district.

(12) In allotting classroom units for gifted and talented children, the superintendent of public instruction, under Kentucky administrative regulations of the state board of education, may allot units for gifted and talented children. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without the approval of the governor.

Section 2. KRS 157.390 is amended to read as follows:

(1) (a) The superintendent of public instruction, under Kentucky administrative regulations of the state board of education, shall classify teachers in rank as follows:

Rank I. Those holding regular certificates and who have a master's degree in a subject field approved by the state board of education or equivalent preparation and who have earned thirty (30) semester hours of approved graduate work or its equivalent, and those teachers who, as of September 1, 1962, were included in Rank I, having earned twenty-four (24) semester hours of additional approved graduate work.

Rank II. Those holding regular certificates and who have a master's degree in a subject field approved by the state board of education or equivalent preparation.

Rank III. Those holding regular certificates and who have an approved four-year college degree or the equivalent.

Rank IV. Those holding certificates and who have ninety-six (96) to one hundred twenty-eight (128) semester hours of approved college training or the equivalent; provided, however, that persons holding emergency certificates shall not be classified higher than this rank for calculation of the amount to be included in the foundation program.

Rank V. Those holding certificates and who have sixty-four (64) to ninety-five (95) semester hours of approved college training or the equivalent.

(b) In determining ranks, the superintendent of public instruction, under Kentucky administrative regulations of the state board of education, shall classify teachers who hold valid certificates in the respective ranks according to approved college semester hours of credit. The superintendent of public instruction, in defining preparation for certain types of vocational teachers as equivalent to college training, shall give consideration to apprenticeship training and industrial experience.

(c) Nothing in this subsection shall allow the state board of education by regulation to reclassify downward any teachers currently in Ranks I or II.

(2) (a) The amount to be included in each school year in the foundation program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the biennial budget schedule for each rank and experience for a term of one hundred eighty-five (185) days. Provided, the amount to be included for units allotted under KRS 157.360(5), (7), (8), (9) and (11) *of this section* shall be increased proportionately if the personnel for such units are employed for longer than the regular school term and such employment is approved by the superintendent of public instruction under Kentucky administrative regulations of the appropriate state board. Where the actual number of teachers employed by the district varies from the number allowed under the provisions of KRS 157.310 to 157.440, the number to be included in each rank shall be in the same ratio that the number of teachers actually in each rank is to the total number of teachers employed.

(b) The state board of education with the recommendation of the superintendent of public instruction, may designate local school districts as experimental districts for the utilization as classroom units para-professionals and teacher aides under KRS 157.360(2). In experimental districts, foundation program fund calculations shall include, with respect to one or more schools in the district, an amount for para-professionals and teacher aides. This amount may be equal to a maximum of fifty percent (50%) of the amount included for a teacher in Rank III with no experience but may not exceed the salary paid the para-professional or teacher aide, multiplied by the number of approved para-professionals and teacher aides employed in the designated school or schools.

(c) Such amounts may be included only for those who are not in sole and principal charge of a class. No district may receive foundation program funds for such number of para-professionals and teacher aides referred to in paragraph (b) of this subsection as exceeds one-half (1/2) the number of certificated teachers in the designated school or schools.

(d) In the calculation of classroom units for the purpose of allocation of teachers' salaries only, the state board of education may use a ratio greater than twenty-seven (27) to one (1) for such calculations regarding the experimental districts designated pursuant to paragraph (b) of this subsection.

(3) The amount to be included in the foundation program for other current expenses shall be determined by multiplying the number of classroom units by the amounts set forth in the biennial budget.

(4) The amount to be included in the foundation program for capital outlay shall be determined by multiplying the number of classroom units, *except those allotted pursuant to KRS 157.360(6)(c) and (d)* by the amounts set forth in the biennial budget.

(5) The amount to be included in the foundation program of each district for transportation shall be determined by multiplying the aggregate attendance of transported children by the allowable cost per pupil

per day for that district determined in accordance with the provisions of KRS 157.370.

(6) The total amount of money distributable to each district from the public school foundation program fund shall be the sum of the allotments in subsections (2), (3), (4) and (5) of this section.

Section 3. KRS 157.410 is amended to read as follows:

For each school year the finance and administration cabinet, on the certification of the superintendent of public instruction, shall draw warrants as specified hereinafter on the state treasurer for the amount of the public school foundation program fund due each district. Checks shall be issued by the state treasurer and transmitted to the department of education for distribution to the proper officials of the several school districts when the districts have fully complied with the school laws and Kentucky administrative regulations of the state board of education. The superintendent of public instruction shall determine on or before August 15 of each year the tentative allotment of school funds to which each district is entitled under the provisions of KRS 157.310 to 157.440. On July 1, August 1, and September 1, of each fiscal year, one-twelfth (1/12) of the prior year's allotment minus the capital outlay shall be paid each school district. On the first of each month thereafter until the final calculation is completed, one-twelfth (1/12) of each district's share of the tentative calculation for instructional salaries, current expenses, and transportation of the public common school foundation program fund shall be distributed. On or before May 1 of each year the superintendent of public instruction shall determine the exact amount of the public common school foundation program fund to which each district is entitled, *except those funds allotted pursuant to KRS 157.360(6)(c) and (d)* and the remainder of the amount due each district for the year shall be distributed in equal installments beginning the first month after completion of final calculation and for each successive month thereafter. *Final allotment of funds due each district pursuant to KRS 157.360(6)(c) and (d) shall not be calculated and distributed to the district until the last monthly report is received by the department of education.* Capital outlay shall be made in two (2) payments. The first, on or before October 1, shall be one-half (1/2) of the amount calculated on the tentative allocation for capital outlay. The balance due shall be paid on or before May 1.

SCR 30, A CONCURRENT RESOLUTION directing a study of higher education programs and curriculum in Kentucky's eight state universities.

WHEREAS, there is evidence of duplication in higher education curriculum and degree programs offered by the eight universities; and

WHEREAS, the Program Review and Investigations Committee is capable of conducting an indepth review of the curriculum and degree programs offered in the eight state universities;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That the Program Review and Investigations Committee, in conjunction with a Subcommittee of the Interim Joint Committee on Appropriations and Revenue, designated by the Co-Chairmen thereof, conduct a detailed comparison of degree programs and course work offered at the eight state supported universities. The Program Review and Investigations Committee may request the assistance of the Council on Higher Education. This assistance may include the collection, exchange and cooperative analysis of relevant data. All data provided to the Program Review and Investigations Committee by the eight state universities shall be made available to the Council on Higher Education. The study should include but not be limited to the following points:

(1) A report on the similarities and differences in the undergraduate and graduate programs in each of the eight state universities;

(2) A report on the similarities and differences in the course work required for degree programs at each of the eight state universities;

(3) The feasibility of developing a system to identify duplication in course work and programs at each of the eight state universities in the future;

(4) The potential savings which could result from the reduction of duplicative course work and programs at the eight state universities; and

(5) A review of higher education in other comparable states.

Section 2. This report shall be submitted to the Legislative Research Commission no later than December 31, 1985.

Section 3. Staff services to be utilized in completing this study are estimated to cost $20,000. Such sum is merely an estimate pursuant to House Rule 63. Services and staff support are to be provided by the LRC from the regular Commission budget and are subject to the limitation and other research responsibilities of the Commission.

The House Committee Substitute to **SCR 30** is as follows:

SCR 30, A CONCURRENT RESOLUTION directing a study of higher education programs and curriculum in Kentucky's eight state universities.

WHEREAS, an excellent system of higher education is vital to the future of Kentucky; and

WHEREAS, programs of instruction, research, and public service in Kentucky's eight state universities contribute substantially to economic development in the Commonwealth; and

WHEREAS, it is the objective of the General Assembly to establish and finance an efficient system of higher education embodying excellence; and

WHEREAS, there is concern about possible "unnecessary duplication" among the eight state universities; and

WHEREAS, it is difficult to take action on possible "unnecessary duplication" without a clear definition of this term in determining programs that are needed to assure access and to attain excellence;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That the program review and investigations committee, in conjunction with a subcommittee of the interim joint committee on education, designated by the co-chairmen thereof, and the co-chairmen of the interim joint committee on appropriations and revenue, conduct a detailed study of programs offered at the eight state supported universities. The purpose of the study shall be to make recommendations on ways to strengthen the state system of higher education and to assure the best possible use of public resources to build excellence in the state's universities and colleges. The study shall include but not be limited to the following points:

(1) An examination of tuition policy, student financial aid policies, and access to public higher education in Kentucky;

(2) A definition of "unnecessary duplication" and an objective analysis of the extent to which "unnecessary duplication" exists in Kentucky's eight state universities;

(3) A review of higher education structure and funding in other comparable states;

(4) A review of the previous studies of higher education in Kentucky, including the Prichard Committee Report, and Price Waterhouse/MGT management study, the MGT study of professional schools, and other relevant studies, such as accreditation self-studies, done by the institutions;

(5) An evaluation of the quality and funding of higher education in Kentucky;

(6) An assessment of what, specifically, the universities and the council on higher education have done to reduce higher education programs and encourage institutional cooperation in response to the budget cuts in the last two biennia;

(7) An appraisal of the management effectiveness of the eight state universities; and

(8) Recommendations to improve the effectiveness and quality of higher education in Kentucky.

Section 2. There is hereby created an advisory committee which shall consist of the advisory conference of presidents established under KRS 164.021 and the chairman of the council on higher education which will, when requested, assist and advise the program review and investigations committee and the subcommittee of the interim joint committee on education, designated by the co-chairmen thereof, and the co-chairmen of the interim joint committee on appropriations and revenue, in the conduct of the study mandated by this resolution.

Section 3. A report of the findings and recommendations shall be submitted to the Legislative Research Commission no later than October 31, 1985.

Section 4. Staff services to be utilized in completing this study are estimated to cost $50,000. Such sum is merely an estimate pursuant to House Rule 63. Services and staff support are to be provided by the LRC from the regular Commission budget and are subject to the limitation and other research responsibilities of the Commission.

SCR 42, A CONCURRENT RESOLUTION directing the Interim Joint Committee on Education to study school bus driver training and report its findings to the General Assembly.

WHEREAS, Kentucky has over seven thousand four hundred school buses traveling its roads transporting over four hundred thirty thousand school children on any given school day; and

WHEREAS, Kentucky over the last fifteen years has had substantially more school bus crashes per million vehicle miles than the national average; and

WHEREAS, there is a growing concern with the quality and the quantity of training provided for school bus drivers;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That the Interim Joint Committee on Education study school bus driver training. The committee shall review the pre-employment and in-service training being provided to school bus drivers in Kentucky as compared to other states, including the content and the length at training. The committee shall explore the need for establishing a statewide standard for school bus driver training, estimate the cost of providing such training, and consider cost-sharing proposals and other methods of funding the training. The committee shall also study the feasibility and cost of requiring seat belts on the front seats of all school buses.

Section 2. The Interim Joint Committee on Education shall report its findings and recommendations to the 1986 General Assembly and shall submit a report to the Legislative Research Commission on or before September 30, 1985.

Section 3. Staff services to be utilized in completing this study are estimated to cost $10,000. These staff services shall be provided from the regular Commission budget and are subject to the limitations and other research responsibilities of the Commission.

The Committee on Natural Resources and Environment reported **SB 338** with Committee Amendment attached thereto, **SB 341**, **SB 369**, **SB 401**, and **SCR 56** with expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 338, AN ACT relating to dams and other water barriers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 151.291 is amended to read as follows:

(1) The cabinet shall *maintain in compliance with all applicable laws and regulations* [~~have primary responsibility for the safety to the public of~~] all dams, reservoirs, levees, embankments, or other water barriers owned by the Commonwealth[~~, its agencies, arms and subdivisions~~].

(2) The cabinet may take whatever action that it deems necessary to maintain, repair or remove dams, reservoirs, levees, embankments, or other water barriers owned, acquired or constructed by the Commonwealth[~~, its agencies, arms and subdivisions~~].

(3) Any person to whom the Commonwealth has transferred ownership of any dam, reservoir, levee, embankment or other water barrier shall maintain it in compliance with all applicable laws and regulations. The Commonwealth shall not expend funds to maintain, repair or remove any structure the ownership of which it has transferred after the effective date of this Act unless otherwise expressly provided by law or agreement.

(4) The secretary of the cabinet shall review and approve or disapprove every proposed transfer of any water barrier owned by the Commonwealth. No transfer of any water barrier owned by the Commonwealth shall occur except upon approval of the secretary of the cabinet. The secretary shall insure that every proposed transfer is consistent with the terms and provisions of this section.

(5) Funds expended pursuant to subsection (2) of this section may not be expended for any aesthetic or functional purposes that are not related to the safety or integrity of the water barrier.

The Committee Amendment No. 1 to **SB 338** is as follows:

Amend printed copy of **SB 338**, on page 1, lines 3 and 4, by deleting after the word "shall" the following: "*maintain in compliance with all applicable laws and regulations*" and by inserting the following in lieu thereof: "*enforce the laws pertaining to the safety of dams for*"

and on page 2, line 8, after the word "*section.*" by adding the following: "*Nothing herein shall be construed, however, to prevent the transfer of a water barrier by the Commonwealth without first bring it into compliance with existing laws and regulations.*"

SB 341, AN ACT relating to surface mining.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 224.033 is amended to read as follows:

In addition to any other powers and duties vested in it by law, the cabinet shall have the authority, power, and duty to:

(1) Exercise general supervision of the administration and enforcement of Acts 1972 (1st Ex. Sess.), ch. 3, and all rules, regulations and orders promulgated thereunder;

(2) Prepare and develop a comprehensive plan or plans related to the environment of the Commonwealth;

(3) Encourage industrial, commercial, residential and community development which provides the best usage of land areas, maximizes environmental benefits and minimizes the effects of less desirable environmental conditions;

(4) Develop and conduct a comprehensive program for the management of water, land, and air resources to assure their protection and balance utilization consistent with the environmental policy of the Commonwealth;

(5) Provide for the prevention, abatement, and control of all water, land, and air pollution including but not limited to that related to particulates, pesticides, gases, dust, vapors, noise, radiation, odor, nutrients, heated liquid, or other contaminants;

(6) Provide for the control and regulation of [~~surface coal~~] mining and reclamation in a manner to accomplish the purposes of KRS chapter 350;

(7) Secure necessary scientific, technical, administrative, and operational services, including laboratory facilities, by contract or otherwise;

(8) Collect and disseminate information and conduct educational and training programs relating to the protection of the environment;

(9) Appear and participate in proceedings before any federal regulatory agency involving or affecting the purposes of the cabinet;

(10) Enter and inspect any property or premises for the purpose of investigating either actual or suspected sources of pollution or contamination or for the purpose of ascertaining compliance or noncompliance with Acts 1972 (1st Ex. Sess.), ch. 3, or any rule or regulation which may be promulgated thereunder;

(11) Conduct investigations and hold hearings and compel the attendance of witnesses and the production of accounts, books and records by the issuance of subpoenas;

(12) Accept, receive, and administer grants or other funds or gifts from public and private agencies including the federal government for the purpose of carrying out any of the functions of the cabinet. Such funds received by the cabinet shall be deposited in the state treasury to the account of the cabinet;

(13) Request and receive the assistance of any state or municipal educational institution, experiment station, laboratory, or other agency when it is deemed necessary or beneficial by the cabinet in the performance of its duties;

(14) Advise, consult, and cooperate with other agencies of the Commonwealth, other states, the federal government, and interstate and interlocal agencies, and affected persons, groups and industries;

(15) Formulate guides for measuring presently unidentified environmental values and relationships so they can be given appropriate consideration along with social, economic, and technical considerations in decision making;

(16) Monitor the environment to afford more effective and efficient control practices, to identify changes and conditions in ecological systems and to warn of emergency conditions;

(17) Adopt, modify or repeal with the recommendation of the commission any standard, rule, regulation or plan specified in subsections (5) and (6) of KRS 224.045;

(18) Issue, after hearing, orders abating activities in violation of this chapter, or the provisions of Acts 1972 (1st Ex. Sess.), ch. 3, or the regulations promulgated pursuant thereto and requiring the adoption of such remedial measures as the cabinet may deem necessary;

(19) Issue, continue in effect, revoke, modify, suspend or deny under such conditions as the cabinet may prescribe, permits to discharge into any waters of the Commonwealth, and for the installation, alteration, expansion, or operation of any sewage system; the installation, alteration, or use of any machine, equipment, device or other article that may cause or contribute to air pollution or is intended primarily to prevent or control the emission of air pollution; or the establishment or construction and the operation or maintenance of waste disposal sites and facilities; and require that applications for such permits be accompanied by plans, specifications, and such other information as the cabinet deems necessary;

(20) May establish, by regulation, a fee or schedule of fees for the cost of processing applications for permits authorized by this chapter, and for the cost of processing applications for exemptions or partial exemptions which may include but not be limited to the administrative costs of a hearing held as a result of such exemption application, except that applicants for existing or proposed publicly owned facilities shall be

exempt from any such charge;

(21) May require for persons discharging into the waters or onto the land of the Commonwealth, by regulation, order or permit, technological levels of treatment and effluent limitations;

(22) Require, by regulation, that any person engaged in any operation regulated pursuant to this chapter install, maintain, and use at such locations and intervals as the cabinet may prescribe any equipment, device or test and the methodologies and procedures for the use of such equipment, device or test to monitor the nature and amount of any substance emitted or discharged into the ambient air or waters or land of the Commonwealth and to provide any information concerning such monitoring to the cabinet in accordance with the provisions of subsection (23) of this section;

(23) Require by regulation that any person engaged in any operation regulated pursuant to this chapter file with the cabinet reports containing information as to location, size, height, rate of emission or discharge, and composition of any substance discharged or emitted into the ambient air or into the waters or onto the land of the Commonwealth, and such other information as the cabinet may require;

(24) Promulgate rules, regulations, guidelines, and standards for waste planning and management activities, approve waste management facilities, develop and publish a comprehensive statewide plan for nonhazardous waste management which shall contain, but not be limited to, the provisions set forth in KRS 109.031, and develop and publish a comprehensive statewide plan for hazardous waste management which shall contain, but not be limited to, the following:

(a) A description of current hazardous waste management practices and costs, including treatment and disposal, within the Commonwealth;

(b) An inventory and description of all existing facilities where hazardous waste is being generated, treated, recycled, stored, or disposed of, including an inventory of the deficiencies of present facilities in meeting current hazardous waste management needs and a statement of the ability of present hazardous waste management facilities to comply with state and federal laws relating to hazardous waste;

(c) A description of the sources of hazardous waste affecting the Commonwealth including the types and quantities of hazardous waste currently being generated and a projection of such activities as can be expected to continue for not less than twenty (20) years into the future;

(d) An identification and continuing evaluation of those locations within the Commonwealth which are naturally or may be engineered to be suitable for the establishment of hazardous waste management facilities, and an identification of those general characteristics, values, and attributes which would render a particular location unsuitable, consistent with the policy of minimizing land disposal and encouraging the treatment and recycling of such wastes;

The statewide waste management plans shall be developed consistent with state and federal laws relating to waste;

(25) Perform such other and further acts as may be necessary to carry out the duties and responsibilities herein described; and

(26) Preserve existing clean air resources while ensuring economic growth by issuing regulations, which shall be no more stringent than federal requirements, setting maximum allowable increases from stationary sources over baseline concentrations of air contaminants to prevent significant deterioration in areas meeting the state and national ambient air quality standards.

Section 2. KRS 350.010 is amended to read as follows:

As used in this chapter unless the context requires otherwise:

(1) "Surface coal mining operations" means activities conducted on the surface of lands in connection with a surface coal mine and surface impacts incident to an underground coal mine. Such activities include excavation for the purpose of obtaining coal including such common methods as contour, strip, auger, extended depth secondary recovery systems, mountaintop removal, box cut, open pit, and area mining, the use of explosives and blasting, and in situ distillation or retorting, leaching or other chemical or physical processing, and cleaning, concentrating or other processing or preparation, and the loading of coal at or near the mine site. Such activities shall not include the extraction of coal by a landowner for his own noncommercial use from land owned or leased by him; the extraction of coal as an incidental part of federal, state or local government financed highway or other construction under regulations established by the department; or the extraction of, or intent to extract, two hundred fifty (250) tons or less of coal by any person by surface coal mining operations within twelve (12) successive calendar months. Surface coal mining operations shall also include the areas upon which such activities occur or where such activities disturb the natural land surface. Such areas shall also include any adjacent land the use of which is incidental to any such activities, all lands affected by the construction of new roads or the improvement or use of existing roads to gain access to the site of such activities and for haulage, and excavations, workings, impoundments, dams, ventilation shafts, entryways, refuse banks, dumps, stockpiles, overburden piles, spoil banks, culm banks, tailings, holes or depressions, repair areas, storage areas, processing areas, shipping areas and other areas upon which are sited structures, facilities, or other property or materials on the surface resulting from or incident to such activities. This definition includes the terms "strip mining" of coal and the "surface effects of underground mining" of coal as used in this chapter;

(2) "Strip mining" means the breaking of the surface soil in order to facilitate or accomplish the extraction or removal of minerals, ores, or other solid matter; any activity or process constituting all or part of a process for the extraction or removal of minerals, ores, and other solid matter from its original location; and the preparation, washing, cleaning, or other treatment of minerals, ores, or other solid matter so as to make them suitable for commercial, industrial, or construction use; but shall not include the extraction of coal by a landowner for his own noncommercial use from land owned or leased by him; the extraction of coal as an incidental part of federal, state or local government financed highway or other construction under regulations established by the department; the extraction of, or intent to extract, two hundred fifty (250) tons or less of coal by any person by surface coal mining operations within twelve (12) successive calendar months; nor shall it include the surface effects or surface impacts of underground coal mining;

(3) "Surface coal mining and reclamation operations" means surface coal mining operations and all activities necessary and incident to the reclamation of such operations as required by this chapter;

(4) *"Mining and processing of oil shale or tar sands" means activities conducted on the surface of lands in connection with a surface oil shale or tar sands mine and surface impacts incident to an underground oil shale or tar sands mine. Such activities include excavation for the purpose of obtaining oil shale or tar sands, including such methods as contour, strip, auger, extended depth secondary recovery systems, mountain top removal, boxcut, open pit, and area mining; the use of explosives and blasting; in situ distillation, retorting, leaching or other chemical or physical processing; and the cleaning, concentrating or other processing or preparation. Such activities also include the loading of oil shale or tar sands at or near the mine site, and all activities necessary and incident to the reclamation of such operations as required by this chapter. Such activities shall not include the extraction of oil shale or tar sands by a landowner for his own noncommercial use from land owned or leased by him; the extraction of oil shale or tar sands as an incidental part of federal, state or local government financed highway or other construction under regulations established by the cabinet. The mining and processing of oil shale or tar sands shall also include the areas upon which such activities occur or where such activities disturb the natural land surface. Such areas shall also include any adjacent land the use of which is incidental to any such activities, all lands affected by the construction of new roads or the improvement or use of existing roads to gain access to the site of such activities and for haulage, and excavations, workings, impoundments, dams, ventilation shafts, entryways, refuse banks, dumps, stockpiles, overburden piles, spoil banks, culm banks, tailings, holes or depressions, repair areas, storage areas, processing areas, shipping areas and other areas upon which are sited structures, facilities, or other property or materials on the surface resulting from or incident to such activities. This definition includes the terms "strip mining" of oil shale and tar sands as used in this chapter;*

(5) "Overburden" means material of any nature, consolidated or unconsolidated, excluding topsoil, which lies above a natural deposit of *oil shale, tar sands or* coal and also means such material after removal from its natural state in the process of surface *oil shale, tar sands or* coal *extraction* [~~mining~~];

(6)[~~(5)~~] "Area of land affected" means any area of land or water upon which surface coal mining and reclamation operations are conducted or located or are to be conducted or located;

(7)[~~(6)~~] "Operations" means surface coal mining operations, all of the premises, facilities, roads and equipment used in the process of producing coal from a designated area or removing overburden for the purpose of determining the location, quality or quantity of a natural coal deposit or the activity to facilitate or accomplish the extraction or the removal of coal;

(8)[~~(7)~~] "Method of operation" means the method or manner by which the cut or open pit is made, the overburden is placed or handled, water is controlled and other acts are performed by the operator in the process of uncovering and removing the coal;

(9)[~~(8)~~] "Operator" means any person, partnership or corporation engaged in surface coal mining and reclamation operations;

(10)[~~(9)~~] "Person" means any persons, partnership, corporation, association, society, joint stock company, firm, company or other business organization;

(11)[~~(10)~~] "Department" means the department for natural resources and environmental protection;

(12)[~~(11)~~] "Secretary" means the secretary of the department for natural resources and environmental protection;

(13)[~~(12)~~] "Reclamation" means the reconditioning of the area affected by [~~surface coal~~] mining operations under a plan approved by the department;

(14)[~~(13)~~] "Degree" when used in this chapter shall mean from the horizontal, and in each case shall be subject to a tolerance of five percent (5%) of error;

(15)[~~(14)~~] "Bench" means the ledge, shelf or terrace formed in the contour method of strip mining;

(16)[~~(15)~~] "Fill bench" means that portion of the bench which is formed by depositing overburden beyond the cut section;

(17)[~~(16)~~] "Approximate original contour" means that surface configuration achieved by backfilling and grading of the mined area so that the reclaimed area, including any terracing or access roads, closely resembles the general surface configuration of the land prior to mining and blends into and complements the

drainage pattern of the surrounding terrain, with all highwalls and spoil piles eliminated; water impoundments may be permitted where the department determines that they are in compliance with KRS 350.455.

(18)[~~(17)~~] "Certification" by a qualified registered professional engineer as required by this chapter and regulations promulgated hereunder means a good faith representation to the best of his or her knowledge and belief, based on adequate knowledge of the requirements of this chapter and regulations promulgated hereunder, related experience, best professional judgment, accepted engineering practices and recognized professional standards, and standard practice as it relates to direct participation by the registered professional engineer or supervision of the registered professional engineer's employes or subordinates. Such certification shall not be construed to constitute a warranty or guarantee.

Section 3. KRS 350.029 is amended to read as follows:

The department is hereby authorized and empowered to adopt, after public hearing, reasonable regulations in order to formulate and establish effective programs for the control of surface soil disturbance in connection with mining as defined by the interstate mining compact. Such regulations shall follow the general standards established in article III of the interstate mining compact. The department shall have the authority to adopt such regulations prior to the effective date of the interstate mining compact and irrespective of whether the state becomes a member or withdraws from membership in the interstate mining compact. Nothing in this section shall be construed to grant the department additional authority in regulating the strip mining of coal or clay, and the authority granted to the department by this section shall be separate from the powers of the department already enacted relating to the strip mining of coal and clay. *Except in the case of non-coal strip mining operations which existed on or before the effective date of this section, the prohibitions of KRS 350.085(1) through (4) shall apply to permit determinations concerning non-coal strip mining operations.*

Section 4. KRS 350.230 is amended to read as follows:

Irrespective of date of issuance of a permit, all *persons or* operators shall immediately conform to any statutes enacted or regulations adopted on the effective date of such statute or regulation. *No change in a statute, rule, or regulation shall serve to discharge a surety on any bond obligation.* This section shall not require the regrading or replanting of any area on which such work was satisfactorily performed prior to the effective date of the statute or regulation. The department shall specify for every regulation promulgated pursuant to this chapter the effective date of such regulation. However, the department may specify a reasonable period of time in which *persons or* operators shall conform to any regulations adopted when it finds that such conformance time is reasonably necessary.

Section 5. KRS 350.600 is amended to read as follows:

(1) The general assembly finds that there has been a recent interest in the Commonwealth in the mining and processing of oil shale *and tar sands* due to the critical need for fossil fuel which has developed in this country. The general assembly further finds that the development of this fossil fuel could be of significant long range benefit to the Commonwealth and to the United States of America, but that the unregulated extraction and processing of oil shale *and tar sands* within the Commonwealth could cause soil erosion, water pollution and the destruction of aesthetic and agricultural values. The general assembly further finds that, in order to effectively regulate the extraction and processing of oil shale *and tar sands*, the department for natural resources and environmental protection shall conduct extensive research concerning the process, waste production and potentially adverse environmental impacts of such recovery operations.

(2) It is the intent of the general assembly to provide such regulation and control of the mining and processing of oil shale *and tar sands* as to minimize and prevent *their* [~~its~~] adverse effects on the citizens and the environment of the Commonwealth. The general assembly further finds that the department for natural resources and environmental protection is the most competent agency to regulate the extraction and processing of oil shale *and tar sands* due to its expertise in the handling of the surface mining of other minerals and in the regulation of other sources of air and water pollution.

(3) *No person shall engage in the mining and processing of oil shale or tar sands without having first obtained from the cabinet a permit designating the area to be affected by the operation. Permits shall authorize the person to engage in the mining and processing of oil shale or tar sands upon the area of land described in the application for a period not to exceed five (5) years; however, if an applicant demonstrates that a specified longer term is reasonably needed to obtain necessary financing for equipment and the opening of the operation and if the application is full and complete for such specified longer term, the cabinet may grant a permit for such longer term. No mining or processing shall be permitted beyond the time period obligations of the initial or extended bond coverage.* [~~The department for natural resources and environmental protection shall file with the regulations compiler reasonable rules and regulations pertaining to oil shale mining operations, which shall include strip mining as defined by KRS 350.010, the surface effects of underground mining of oil shale, and the in situ mining of oil shale by June 30, 1981. No person shall engage in the commercial mining or processing of oil shale until such time as the department promulgates rules and regulations to provide standards for such mining.~~]

(4) *A basic fee set by regulation, and bearing a reasonable relationship to the cost of processing the*

permit application, shall be paid before the permit required herein shall be issued. The applicant shall file with the cabinet a bond payable to the Commonwealth of Kentucky with surety satisfactory to the department in the penal sum to be determined by the cabinet, conditioned upon the faithful performance of the requirements set forth in this section and of the rules and regulations of the cabinet. In determining the amount of the bond, the cabinet shall take into consideration the character and nature of the overburden, the future suitable use of the land involved, and the cost of backfilling, grading and reclamation to be required and the probable difficulty of reclamation giving consideration to such factors as topography, geology, hydrology, and revegetation potential. The bond amount shall initially be computed to be sufficient to assure completion of reclamation if the work had to be performed by the cabinet in the event of forfeiture. The cabinet shall promulgate regulations setting forth bonding requirements including, but not limited to, requirements for the amount, duration, release, and forfeiture of such bonds.

(5) The natural resources and environmental protection cabinet shall adopt rules and regulations pertaining to the exploration, mining and processing of oil shale and tar sands to accomplish the purposes of this section. Such regulations shall recognize the distinct differences between the surface effects of in situ processes, the surface effects of underground mining and the strip mining of oil shale and tar sands, and shall be enforced as provided in this section.

(6) In promulgating regulations pursuant to subsection (5) of this section, the secretary shall make written finding that the regulations promulgated are based on sound scientific and engineering data and are reasonably necessary to protect the people and environment of the Commonwealth from the adverse effects of oil shale *and tar sands* extraction. The secretary shall promulgate regulations consistent with existing standards for land, water and air protection. [~~The secretary may conduct a public hearing on the subject of the department's regulation of the extraction and processing of oil shale for the purpose of collecting data and receiving public comments on this issue. The hearing will be held at a time and place to be determined by the secretary in accordance with the policy of the cabinet.~~]

(7) The natural resources and environmental protection cabinet shall have the authority to exercise general supervision and administration and enforcement of this section and all rules and regulations promulgated thereunder.

[~~(5) Prior to the adoption of the regulations required by this section, any person may conduct core drilling, experimentation, removal of samples, or a pilot and demonstration project which involves the mining of not more than five (5) acres for the production of oil shale in any one county. Such core drilling, experimentation, removal of samples, or pilot and demonstration project involving the mining of not more than five (5) acres for the production of oil shale in any one county shall not be initiated until written notification of the intent to perform such operations shall be filed at least fifteen (15) days prior to commencement of such projects by certified mail by the mine operator with the secretary of the department of natural resources and environmental protection of the Commonwealth of Kentucky and with the person(s) holding title to the surface of the land to be utilized for such operations.~~]

(8) The natural resources and environmental protection cabinet shall have the authority and power to conduct investigations and hearings under the provisions of this section and KRS Chapter 224 or regulations adopted pursuant thereto, and to issue, after an opportunity for a hearing, a final order imposing civil penalties pursuant to KRS 350.990 for violation of this section or directing the Kentucky department for surface mining reclamation and enforcement to revoke a permit, where the requirements of this section or the regulations promulgated pursuant thereto have not been complied with, and the performance bond shall then be forfeited to the cabinet; provided that failure to attend a hearing shall be excused for good cause shown.

[~~(6) The secretary of the department of natural resources and environmental protection of the Commonwealth of Kentucky shall be granted the right to monitor such core drilling, experimentation, removal of samples, or pilot and demonstration project as it may deem necessary for the purpose of establishing sound and reasonable scientific and engineering data upon which rules and regulations pertaining to oil shale mining operations in the Commonwealth of Kentucky can be based.~~]

SB 369, AN ACT enacting and entering into the Midwest Interstate Compact on Low-Level Radioactive Waste and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

The Midwest Interstate Compact on Low-Level Radioactive Waste is hereby enacted into law and entered into by this state in the form as follows:

ARTICLE I. POLICY AND PURPOSE

There is created the Midwest Interstate Low-Level Radioactive Waste Compact.

The states party to this compact recognize that the Congress of the United States, by enacting the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021), has provided for and encouraged the development of low-level radioactive waste compacts as a tool for managing such waste. The party states acknowledge that Congress declared that each state is responsible for providing for the availability of capacity either within or outside the state for the disposal of low-level radioactive waste generated within its borders, except for waste generated as a result of certain defense activities of the federal government or federal research and development activities. The party states also recognize that the management of low-level radioactive waste is handled most efficiently on a regional basis; and, that the safe and efficient management of low-level radioactive waste generated within the region requires that sufficient capacity to manage such waste be properly provided.

a. It is the policy of the party states to enter into a regional low-level radioactive waste management compact for the purpose of:

1. Providing the instrument and framework for a cooperative effort;
2. Providing sufficient facilities for the proper management of low-level radioactive waste generated in the region;
3. Protecting the health and safety of the citizens of the region;
4. Limiting the number of facilities required to effectively and efficiently manage low-level radioactive waste generated in the region;
5. Encouraging the reduction of the amounts of low-level radioactive waste generated in the region;
6. Distributing the costs, benefits and obligations of successful low-level radioactive waste management equitably among the party states and among generators and other persons who use regional facilities to manage their waste; and
7. Ensuring the ecological and economical management of low-level radioactive wastes.

b. Implicit in the Congressional consent to this compact is the expectation by the Congress and the party states that the appropriate federal agencies will actively assist the Compact Commission and the individual party states to this compact by:

1. Expeditious enforcement of federal rules, regulations and laws;
2. Imposition of sanctions against those found to be in violation of federal rules, regulations and laws; and
3. Timely inspection of their licensees to determine their compliance with these rules, regulations and laws.

ARTICLE II. DEFINITIONS

As used in this compact, unless the context clearly requires a different construction:

a. "Care" means the continued observation of a facility after closure for the purposes of detecting a need for maintenance, ensuring environmental safety, and determining compliance with applicable licensure and regulatory requirements and including the correction of problems which are detected as a result of that observation.

b. "Commission" means the Midwest Interstate Low-Level Radioactive Waste Commission.

c. "Decommissioning" means the measures taken at the end of a facility's operating life to assure the continued protection of the public from any residual radioactivity or other potential hazards present at a facility.

d. "Disposal" means the isolation of waste from the biosphere in a permanent facility designed for that purpose.

e. "Eligible state" means a state qualified to be a party state to this compact as provided in Article VIII.

f. "Facility" means a parcel of land or site, together with the structures, equipment and improvements on or appurtenant to the land or site, which is used or is being developed for the treatment, storage or disposal of low-level radioactive waste.

g. "Generator" means a person who produces or possesses low-level radioactive waste in the course of or incident to manufacturing, power generation, processing, medical diagnosis and treatment, research, or other industrial or commercial activity and who, to the extent required by law, is licensed by the U.S. Nuclear Regulatory Commission or a party state, to produce or possess such waste. "Generator" does not include a person who provides a service by arranging for the collection, transportation, treatment, storage or disposal of wastes generated outside the region.

h. "Host state" means any state which is designated by the Commission to host a regional facility.

i. "Low-level radioactive waste" or "waste" means radioactive waste not classified as high-level radioactive waste, transuranic waste, spent nuclear fuel or byproduct material as defined in Section 11e.(2) of the Atomic Energy Act of 1954.

j. "Management plan" means the plan adopted by the Commission for the storage, transportation, treatment and disposal of waste within the region.

k. "Party state" means any eligible state which enacts the compact into law.

l. "Person" means any individual, corporation, business enterprise or other legal entity either public or private and any legal successor, representative, agent or agency of that individual, corporation, business enterprise, or legal entity.

m. "Region" means the area of the party states.

n. "Regional facility" means a facility which is located within the region and which is established by a party state pursuant to designation of that state as a host state by the Commission.

o. "Site" means the geographic location of a facility.

p. "State" means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands or any other territorial possession of the United States.

q. "Storage" means the temporary holding of waste for treatment or disposal.

r. "Treatment" means any method, technique or process, including storage for radioactive decay, designed to change the physical, chemical or biological characteristics or composition of any waste in order to render the waste safer for transport or management, amenable to recovery, convertible to another usable material or reduced in volume.

s. "Waste management" means the storage, transportation, treatment, or disposal of waste.

ARTICLE III. THE COMMISSION

a. There is created the Midwest Interstate Low-Level Radioactive Waste Commission. The Commission consists of one voting member from each party state. The Governor of each party state shall notify the Commission in writing of its member and any alternates. An alternate may act on behalf of the member only in that member's absence. The method for selection and the expenses of each Commission member shall be the responsibility of the member's respective state.

b. Each Commission member is entitled to one vote. No action of the Commission is binding unless a majority of the total membership cast their vote in the affirmative.

c. The Commission shall elect annually from among its members a chairperson. The Commission shall adopt and publish, in convenient form, bylaws, and policies which are not inconsistent with this compact, including procedures which substantially conform with the provisions of the Federal Administrative Procedure Act (5 U.S.C. ss. 500 to 559) in regard to notice, conduct and recording of meetings; access by the public to records; provision of information to the public; conduct of adjudicatory hearings; and issuance of decisions.

d. The Commission shall meet at least once annually and shall also meet upon the call of the chairperson or a Commission member.

e. All meetings of the Commission shall be open to the public with reasonable advance notice. The Commission may, by majority vote, close a meeting to the public for the purpose of considering sensitive personnel or legal strategy matters. However, all Commission actions and decisions shall be made in open meetings and appropriately recorded.

f. The Commission may establish advisory committees for the purpose of advising the Commission on any matters pertaining to waste management.

g. The office of the Commission shall be in a party state. The Commission may appoint or contract for and compensate such limited staff necessary to carry out its duties and functions. The staff shall serve at the Commission's pleasure with the exception that staff hired as the result of securing federal funds shall be hired and governed under applicable federal statutes and regulations. In selecting any staff, the Commission shall assure that the staff has adequate experience and formal training to carry out the functions assigned to it by the Commission.

h. The Commission may:

1. Enter into an agreement with any person, state or group of states for the right to use regional facilities for waste generated outside of the region and for the right to use facilities outside the region for waste generated within the region. The right of any person to use a regional facility for waste generated outside of the region requires an affirmative vote of a majority of the Commission, including the affirmative vote of the member of the host state in which any affected regional facility is located.

2. Approve the disposal of waste generated within the region at a facility other than a regional facility.

3. Appear as an intervenor or party in interest before any court of law or any federal, state or local agency, board or commission in any matter related to waste management. In order to represent its views, the Commission may arrange for any expert testimony, reports, evidence or other participation.

4. Review the emergency closure of a regional facility, determine the appropriateness of that closure, and take whatever actions are necessary to ensure that the interests of the region are protected.

5. Take any action which is appropriate and necessary to perform its duties and functions as provided in this compact.

6. Suspend the privileges or revoke the membership of a party state by a two-thirds vote of the membership in accordance with Article VIII.

i. The Commission shall:

1. Receive and act on the petition of a non-party state to become an eligible state.

2. Submit an annual report to, and otherwise communicate with, the governors and the appropriate

officers of the legislative bodies of the party states regarding the activities of the Commission.

3. Hear, negotiate, and, as necessary, resolve by final decision disputes which may arise between the party states regarding this compact.

4. Adopt and amend, by a two-thirds vote of the membership, in accordance with the procedures and criteria developed pursuant to Article IV, a regional management plan which designates host states for the establishment of needed regional facilities.

5. Adopt an annual budget.

j. Funding of the budget of the Commission shall be provided as follows:

1. Each state, upon becoming a party state, shall pay $50,000 or $1,000 per cubic meter shipped from that state in 1980, whichever is lower, to the Commission which shall be used for the administrative costs of the Commission;

2. Each state hosting a regional facility shall levy surcharges on all users of the regional facility based upon its portion of the total volume and characteristics of wastes managed at that facility. The surcharges collected at all regional facilities shall:

a. Be sufficient to cover the annual budget of the Commission; and

b. Represent the financial commitments of all party states to the Commission; and

c. Be paid to the Commission, provided, however, that each host state collecting surcharges may retain a portion of the collection sufficient to cover its administrative costs of collection, and that the remainder be sufficient only to cover the approved annual budget of the Commission.

k. The Commission shall keep accurate accounts of all receipts and disbursements. The Commission shall contract with an independent certified public accountant to annually audit all receipts and disbursements of Commission funds, and to submit an audit report to the Commission. The audit report shall be made a part of the annual report of the Commission required by this Article.

l. The Commission may accept for any of its purposes and functions and may utilize and dispose of any donations, grants of money, equipment, supplies, materials and services from any state or the United States (or any subdivision or agency thereof), or interstate agency, or from any institution, person, firm or corporation. The nature, amount and condition, if any, attendant upon any donation or grant accepted or received by the Commission together with the identity of the donor, grantor or lender, shall be detailed in the annual report of the Commission.

m. The Commission is not liable for any costs associated with any of the following:

1. The licensing and construction of any facility;
2. The operation of any facility;
3. The stabilization and closure of any facility;
4. The care of any facility;
5. The extended institutional control, after care of any facility; or
6. The transportation of waste to any facility.

n. 1. The Commission is a legal entity separate and distinct from the party states and is liable for its actions as a separate and distinct legal entity. Liabilities of the Commission are not liabilities of the party states. Members of the Commission are not personally liable for actions taken by them in their official capacity.

2. Except as provided under paragraphs m. and n.1., nothing in this compact alters liability for any act, omission, course of conduct or liability resulting from any casual or other relationships.

o. Any person aggrieved by a final decision of the Commission may obtain judicial review of such decision in any court of jurisdiction by filing in such court a petition for review within sixty days after the Commission's final decision.

ARTICLE IV. REGIONAL MANAGEMENT PLAN

The Commission shall adopt a regional management plan designed to ensure the safe and efficient management of waste generated within the region. In adopting a regional waste management plan the Commission shall:

a. Adopt procedures for determining, consistent with considerations for public health and safety, the type and number of regional facilities which are presently necessary and which are projected to be necessary to manage waste generated within the region;

b. Develop and consider policies promoting source reduction of waste generated within the region;

c. Develop and adopt procedures and criteria for identifying a party state as a host state for a regional facility. In developing these criteria, the Commission shall consider all the following:

1. The health, safety, and welfare of the citizens of the party states.
2. The existence of regional facilities within each party state.
3. The minimization of waste transportation.
4. The volumes and types of wastes generated within each party state.
5. The environmental, economic, and ecological impacts on the air, land and water resources of the party states.

d. Conduct such hearings, and obtain such reports, studies, evidence and testimony required by its approved procedures prior to identifying a party state as a host state for a needed regional facility;

e. Prepare a draft management plan, including procedures, criteria and host states, including alternatives, which shall be made available in a convenient form to the public for comment. Upon the request of a party state, the Commission shall conduct a public hearing in that state prior to the adoption of the management plan. The management plan shall include the Commission's response to public and party state comment.

ARTICLE V. RIGHTS AND OBLIGATIONS OF PARTY STATES

a. Each party state shall act in good faith in the performance of acts and courses of conduct which are intended to ensure the provision of facilities for regional availability and usage in a manner consistent with this compact.

b. Each party state has the right to have all wastes generated within its borders managed at regional facilities subject to the provisions contained in Article IX.C. All party states have an equal right of access to any facility made available to the region by any agreement entered into by the Commission pursuant to Article III.

c. Party states or generators may negotiate for the right of access to a facility outside the region and may export waste outside the region subject to Commission approval under Article III.

d. To the extent permitted by federal law, each party state may enforce any applicable federal and state laws, regulations and rules pertaining to the packaging and transportation of waste generated within or passing through its borders. Nothing in this section shall be construed to require a party state to enter into any agreement with the U.S. Nuclear Regulatory Commission.

e. Each party state shall provide to the Commission any data and information the Commission requires to implement its responsibilities. Each party state shall establish the capability to obtain any data and information required by the Commission.

ARTICLE VI. DEVELOPMENT AND OPERATION OF FACILITIES

a. Any party state may volunteer to become a host state, and the Commission may designate that state as a host state upon a two-thirds vote of its members.

b. If all regional facilities required by the regional management plan are not developed pursuant to section (a), or upon notification that an existing regional facility will be closed, the Commission may designate a host state.

c. Each party state designated as a host state is responsible for determining possible facility locations within its borders. The selection of a facility site shall not conflict with applicable federal and host state laws, regulations and rules not inconsistent with this compact and shall be based on factors including, but not limited to, geological, environmental and economic viability of possible facility locations.

d. Any party state designated as a host state may request the Commission to relieve that state of the responsibility to serve as a host state. The Commission may relieve a party state of this responsibility only upon a showing by the requesting party state that no feasible potential regional facility site of the type it is designated to host exists within its borders.

e. After a state is designated a host state by the Commission, it is responsible for the timely development and operation of a regional facility.

f. To the extent permitted by federal and state law, a host state shall regulate and license any facility within its borders and ensure the extended care of that facility.

g. The Commission may designate a party state as a host state while a regional facility is in operation if the Commission determines that an additional regional facility is or may be required to meet the needs of the region. The Commission shall make this designation following the procedures established under Article IV.

h. Designation of a host state is for a period of twenty years or the life of the regional facility which is established under that designation, whichever is longer. Upon request of a host state, the Commission may modify the period of its designation.

i. A host state may establish a fee system for any regional facility within its borders. The fee system shall be reasonable and equitable. This fee system shall provide the host state with sufficient revenue to cover any costs, including but not limited to the planning, siting, licensure, operation, decommissioning, extended care and long-term liability, associated with such facilities. This fee system may also include reasonable revenue beyond the costs incurred for the host state, subject to approval by the Commission. A host state shall submit an annual financial audit of the operation of the regional facility to the Commission. The fee system may include incentives for source reduction and may be based on the hazard of the waste as well as the volume.

j. A host state shall ensure that a regional facility located within its borders which is permanently closed is properly decommissioned. A host state shall also provide for the care of a closed or decommissioned regional facility within its borders so that the public health and safety of the state and region are ensured.

k. A host state intending to close a regional facility located within its borders shall notify the Commission in writing of its intention and the reasons. Notification shall be given to the Commission at least five years prior to the intended date of closure. This section shall not prevent an emergency closing of a regional facility by a host state to protect its air, land and water resources and the health and safety of its citizens. However, a host state which has an emergency closing of a regional facility shall notify the Commission in writing within three working days of its action and shall, within thirty working days of its action, demonstrate justification for the closing.

l. If a regional facility closes before an additional or new facility becomes operational, waste generated within the region may be shipped temporarily to any location agreed on by the Commission until a regional facility is operational.

m. A party state which is designated as a host state by the Commission and fails to fulfill its obligations as a host state may have its privileges under the compact suspended or membership in the compact revoked by the Commission.

ARTICLE VII. OTHER LAWS AND REGULATIONS

a. Nothing in this compact:

1. Abrogates or limits the applicability of any act of Congress or diminishes or otherwise impairs the jurisdiction of any federal agency expressly conferred thereon by the Congress;

2. Prevents the enforcement of any other law of a party state which is not inconsistent with this compact;

3. Prohibits any storage or treatment of waste by the generator on its own premises;

4. Affects any administrative or judicial proceeding pending on the effective date of this compact;

5. Alters the relations between and the respective internal responsibility of the government of a party state and its subdivisions;

6. Affects the generation, treatment, storage or disposal of waste generated by the atomic energy defense activities of the Secretary of the U.S. Department of Energy or successor agencies or federal research and development activities as defined in 42 U.S.C. 2021; or

7. Affects the rights and powers of any party state or its political subdivisions to the extent not inconsistent with this compact, to regulate and license any facility or the transportation of waste within its borders or affects the rights and powers of any party state or its political subdivisions to tax or impose fees on the waste managed at any facility within its borders;

8. Requires a party state to enter into any agreement with the U.S. Nuclear Regulatory Commission;

9. Alters or limits liability of transporters of waste, owners and operators of sites for their acts, omissions, conduct or relationships in accordance with applicable laws.

b. For purposes of this compact, all state laws or parts of laws in conflict with this compact are hereby superseded to the extent of the conflict.

c. No law, rule or regulation of a party state or of any of its subdivisions or instrumentalities may be applied in a manner which discriminates against the generators of another party state.

ARTICLE VIII. ELIGIBLE PARTIES, WITHDRAWAL, REVOCATION, ENTRY INTO FORCE, TERMINATION

a. Eligible parties to this compact are the states of Delaware, Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Carolina, Virginia and Wisconsin. Eligibility terminates on July 1, 1984.

b. Any state not eligible for membership in the compact may petition the Commission for eligibility. The Commission may establish appropriate eligibility requirements. These requirements may include, but are not limited to, an eligibility fee or designation as a host state. A petitioning state becomes eligible for membership in the compact upon the approval of the Commission, including the affirmative vote of all host states. Any state becoming eligible upon the approval of the Commission becomes a member of the compact in the same manner as any state eligible for membership at the time this compact enters into force.

c. An eligible state becomes a party state when the state enacts the compact into law and pays the membership fee required in Article III(i)(1).

d. The Commission is formed upon the appointment of Commission members and the tender of the membership fee payable to the Commission by three party states. The Governor of the first state to enact this compact shall convene the initial meeting of the Commission. The Commission shall cause legislation to be introduced in the Congress which grants the consent of the Congress to this compact, and shall take action necessary to organize the Commission and implement the provision of this compact.

e. Any party state may withdraw from this compact by repealing the authorizing legislation but no withdrawal may take effect until five years after the governor of the withdrawing state gives notice in writing of the withdrawal to the Commission and to the governor of each party state. Withdrawal does not affect any liability already incurred by or chargeable to a party state prior to the time of such withdrawal. Any host state which grants a disposal permit for waste generated in a withdrawing state shall void the permit when the withdrawal of that state is effective.

f. Any party state which fails to comply with the terms of this compact or fails to fulfill its obligations may have its privileges suspended or its membership in the compact revoked by the Commission in accordance with Article III(h)(6). Revocation takes effect one year from the date the affected party state receives written notice from the Commission of its action. All legal rights of the affected party state established under this compact cease upon the effective date of revocation but any legal obligations of that party state arising prior to revocation continue until they are fulfilled. The chairperson of the Commission shall transmit written notice of a revocation of a party state's membership in the compact immediately following the vote of the Commission to the governor of the affected party state, all other governors of the party states and the Congress of the United States.

g. This compact becomes effective July 1, 1983, or at any date subsequent to July 1, 1983, upon enactment by at least three eligible states. However, Article IX, section (b) shall not take effect until the Congress has by law consented to this compact. The Congress shall have an opportunity to withdraw such consent every five years. Failure of the Congress to affirmatively withdraw its consent has the effect of renewing consent for an additional five year period. The consent given to this compact by the Congress shall extend to any future admittance of new party states under section (b) and (c) of this article and to the power of the region to ban the shipment of waste from the region pursuant to Article III.

h. The withdrawal of a party state from this compact under section (e) of this article or the revocation of a state's membership in this compact under section (f) of this article does not affect the applicability of this compact to the remaining party states.

i. A state which has been designated by the Commission to be a host state has ninety days from receipt by the Governor of written notice of designation to withdraw from the compact without any right to receive refund of any funds already paid pursuant to this compact, and without any further payment. Withdrawal becomes effective immediately upon notice as provided in section e. A designated host state which withdraws from the compact after ninety days and prior to fulfilling its obligations shall be assessed a sum the Commission determines to be necessary to cover the costs borne by the Commission and remaining party states as a result of that withdrawal.

ARTICLE IX. PENALTIES

a. Each party state shall prescribe and enforce penalties against any person who is not an official of another state for violation of any provision of this compact.

b. Unless otherwise authorized by the Commission pursuant to Article III(h) after January 1, 1986 it is a violation of this compact:

1. For any person to deposit at a regional facility waste not generated within the region;
2. For any regional facility to accept waste not generated within the region;
3. For any person to export from the region waste which is generated within the region; or
4. For any person to dispose of waste at a facility other than a regional facility.

c. Each party state acknowledges that the receipt by a host state of waste packaged or transported in violation of applicable laws, rules and regulations may result in the imposition of sanctions by the host states which may include suspension or revocation of the violator's right of access to the facility in the host state.

d. Each party state has the right to seek legal recourse against any party state which acts in violation of this compact.

ARTICLE X. SEVERABILITY AND CONSTRUCTION

The provisions of this compact shall be severable and if any phrase, clause, sentence or provision of this compact is declared by a court of competent jurisdiction to be contrary to the Constitution of any participating state or of the United States or the applicability thereof to any government, agency, person or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person or circumstance shall not be affected thereby. If any provision of this compact shall be held contrary to the Constitution of any state participating therein, the compact shall remain in full force and effect as to the state affected as to all severable matters.

Section 2. Whereas, eligibility to become a party state to this compact ends on July 1, 1984, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

SB 401, AN ACT relating to the enforcement of the regulations of the Natural Resources and Environmental Protection Cabinet.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 224.994 is amended to read as follows:

(1) Any person who violates KRS 224.060, 224.140, 224.330 or who fails to perform any duties imposed by these sections, or who violates any determination, permit, rule, regulation or order of the cabinet promulgated pursuant thereto shall be liable for a civil penalty not to exceed the sum of ten thousand dollars ($10,000) for each day during which such violation continues, and in addition, may be concurrently enjoined from any such violations as hereinafter provided in this section and KRS 224.995.

(2) Any person who violates *subsections (2), (3), (4), or (5) of* KRS *224.032, or KRS* 224.835,

224.882, or any provision of this chapter relating to noise, or who fails to perform any determination, permit, rule, regulation or order of the cabinet promulgated pursuant thereto shall be liable for a civil penalty not to exceed the sum of one thousand dollars ($1,000) for said violation and an additional civil penalty not to exceed one thousand dollars ($1,000) for each day during which such violation continues, and in addition, may be concurrently enjoined from any such violations as hereinafter provided in this section and KRS 224.995.

(3) (a) Any person who shall knowingly violate any of the provisions of this chapter relating to noise or any determination or order of the cabinet promulgated pursuant to those sections which have become final shall be punished by a fine of not less than one hundred dollars ($100) nor more than one thousand dollars ($1,000) or by imprisonment for a term of not more than one (1) year or by both fine and imprisonment for each separate violation. Each day upon which such violation occurs shall constitute a separate violation.

(b) For violations by motor vehicles, the fine shall be not less than ten dollars ($10) nor more than fifty dollars ($50) for a first offense, and not less than fifty dollars ($50) nor more than one hundred dollars ($100) for each subsequent offense.

(4) Any person who knowingly or with criminal negligence violates KRS 224.060, 224.140, 224.255, 224.330, 224.880 or any determination, permit, rule, regulation or order of the cabinet promulgated pursuant to those sections which have become final or who knowingly provides false information in any document filed or required to be maintained under this chapter or who knowingly renders inaccurate any monitoring device or method shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than one thousand dollars ($1,000) nor more than fifteen thousand dollars ($15,000) or by imprisonment for a term of not more than one year or by both fine and imprisonment for each separate violation. Each day upon which such violation occurs shall constitute a separate violation.

(5) Should any person engage in generation, treatment, storage, transportation, or disposal of hazardous waste in violation of the hazardous waste management provisions of this chapter or contrary to a permit, order, or rule issued or promulgated under this chapter or fail to provide information or to meet reporting requirements required by terms and conditions of a permit or regulations promulgated pursuant to this chapter, the secretary may issue an order requiring compliance within a specified time period or may commence a civil action in a court of appropriate jurisdiction. The violator shall be liable for a civil penalty not to exceed the sum of twenty-five thousand dollars ($25,000) for each day during which such violation continues, and in addition, may be enjoined from continuing such violations in a court of appropriate jurisdiction.

(6) Any person who knowingly is engaged in generation, treatment, storage, transportation or disposal of hazardous waste in violation of this chapter, or contrary to a permit, order, or regulation issued or promulgated under this chapter or knowingly makes a false statement, representation, or certification in an application for or form pertaining to a permit or in a notice or report required by the terms and conditions of an issued permit, shall be guilty of a felony and upon conviction thereof shall be punished by a fine not to exceed twenty-five thousand dollars ($25,000) for each day of violation or by imprisonment for a term of not less than one (1) year and not more than five (5) years or by both fine and imprisonment for each separate violation. Each day upon which such violation occurs shall constitute a separate violation.

(7) Nothing contained in subsections (4) or (5) of this section shall abridge the right of any person to recover actual compensatory damages resulting from any such violation.

(8) Any person who violates any provision of this chapter to which no express penalty provision applies, except as provided in KRS 211.995, or who fails to perform any duties imposed by those sections, or who violates any determination or order of the cabinet promulgated pursuant thereto shall be liable for a civil penalty not to exceed the sum of one thousand dollars ($1,000) for said violation and an additional civil penalty not to exceed one thousand dollars ($1,000) for each day during which such violation continues, and in addition, may be concurrently enjoined from any such violations as hereinafter provided in this section and KRS 224.995.

(9) The Franklin Circuit Court shall hold concurrent jurisdiction and venue of all civil, criminal, and injunctive actions instituted by the cabinet or by the attorney general on its behalf for the enforcement of the provisions of this chapter or the orders, rules, and regulations of the cabinet promulgated pursuant thereto.

(10) Any person who deposits leaves, clippings, prunings, garden refuse or household waste materials in any litter receptacle except with permission of the owner of such receptacle or who places litter into a receptacle in such a manner that the litter may be carried away or deposited by the elements upon any property or water not owned by him is guilty of a Class B misdemeanor.

(11) In addition to or in lieu of the penalties set forth in this section or in KRS Chapters 532 and 534, any person found guilty of a second or subsequent offense related to littering may be ordered by the court to pick up litter for not less than four (4) hours.

SCR 56, A CONCURRENT RESOLUTION creating a commission to study tax incentives for the coal industry.

WHEREAS, Kentucky is the major coal producing state in the nation; and

WHEREAS, coal is a major contributor to the state's economy and to its general revenue; and

WHEREAS, that industry is currently, and for the foreseeable future, encountering difficult times in competing with other fuel sources and with regions producing coal at lower cost; and

WHEREAS, the coal industry in general and in Kentucky in particular receives less government assistance in the form of tax incentives than do many of the industries with which Kentucky coal must compete; and

WHEREAS, such incentives might produce a high return for the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That a committee be formed to study tax incentives to assist the Kentucky coal industry. The committee shall be composed of seven members. Those members being the following, or their designee; the chairmen of the Senate Agriculture and Natural Resources Committee, the House Natural Resources and Environmental Protection Committee, the Senate Appropriations and Revenue Committee and the House Appropriations and Revenue Committee, the secretary of energy, the secretary of commerce, and the secretary of finance and administration.

Section 2. The committee shall consider tax exemptions, credits, deductions or accelerated depreciation for coal related investments, research and development activities, the sale or purchase of coal-using equipment, the conversion to new coal-burning technology, the early replacement of existing energy-using equipment and the adoption of technolgies that would allow the use of high sulfur coals.

Section 3. The committee's finding and any detailed proposals for legislation shall be reported to the Legislative Research Commission no later than October 1, 1985.

Section 4. Staff services to be utilized in completing this study are estimated to cost ten thousand dollars ($10,000). These staff services shall be provided from the regular Commission budget and are subject to the limitation and other research responsibilities of the Commission.

The Committee on Judiciary-Civil reported **SB 316** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 316, AN ACT relating to preliminary hearings.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 202A.071 is amended to read as follows:

(1) The preliminary hearing shall be held not later than *six (6)* [~~five (5)~~] days (excluding weekends and holidays) from the time of respondent's detention under these proceedings. If the respondent is not detained under these proceedings, the preliminary hearing shall be held not later than *six (6)* [~~five (5)~~] days (excluding weekends and holidays) from the time of the examination of the respondent.

(2) The final hearing shall be held within twenty-one (21) days of the date of the detention or from the date of the examination, if not detained.

The Committee on Cities reported **SB 380,** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 380, AN ACT relating to local governments.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 92A IS CREATED TO READ AS FOLLOWS:

As used in this Act unless the context otherwise requires:

(1) "Local government" means a city of the first four classes or an urban-county government;

(2) "Hearing board" means a body established by ordinance and empowered to conduct hearings

pursuant to this Act; and shall be composed of one (1) or more persons appointed in the manner provided by ordinance; and also means any hearing officer or officers appointed by the board. Any action of such hearing officer shall be deemed to be the action of the board; and

(3) "Parking ordinance" means an ordinance regulating parking, standing, or stopping upon the public streets or ways within the local government.

SECTION 2. A NEW SECTION OF KRS CHAPTER 92A IS CREATED TO READ AS FOLLOWS:

(1) Any local government may enact parking ordinances and impose penalties for the violation of such ordinances. Such penalties shall be deemed civil penalties. A local government may, by ordinance, elect to enforce parking ordinances pursuant to the procedures set forth in this Act.

SECTION 3. A NEW SECTION OF KRS CHAPTER 92A IS CREATED TO READ AS FOLLOWS:

(1) If any motor vehicle is found parked, standing or stopped in violation of a parking ordinance passed by the local government, the vehicle may be cited for the appropriate parking violation. The citing officer shall note the vehicle's registration number and any other information concerning the vehicle which will identify it and, if the driver is not present, shall conspicuously affix to the vehicle a notice of the parking violation.

(2) The form of the notice of the parking violation shall be designated by the local government, but shall contain in substance the following information:

(a) A statement that the notice represents a determination that a parking violation has been committed by the owner of the vehicle and that the determination shall be final unless contested as provided in this Act;

(b) A statement that a parking violation may result in impoundment of the vehicle for which the owner may be liable for a fine and towing, handling and storage charges or fees;

(c) A statement of the specific parking violation for which the citation was issued;

(d) A statement of the monetary penalty established for the parking violation; and

(e) A statement of the options provided in this Act for responding to the notice and the procedures necessary to exercise these options.

(3) The notice of parking violation represents a determination that a parking violation has been committed, and such determination shall be final unless contested as provided in this Act.

SECTION 4. A NEW SECTION OF KRS CHAPTER 92A IS CREATED TO READ AS FOLLOWS:

(1) Any person who receives notice of a parking violation shall respond to such notice as provided in this section within seven (7) days of the date of the notice, by either paying the fine set forth in the notice or requesting a hearing pursuant to Section 5 of this Act.

(2) If the owner of a vehicle cited for a parking violation has not responded to the notice within seven (7) days as provided in subsection (1) of this section, the local government shall send a second notice by certified mail to the last known address of the registered owner of the vehicle as listed on the certificate of title. Such notice shall state that if the owner of the vehicle does not respond to the notice by either paying the fine or by requesting in writing a hearing pursuant to Section 5 of this Act, within seven (7) days of the receipt of the notice, the owner shall be deemed to have waived his right to a hearing and the determination that a violation was committed shall be considered final. Any person who fails to request a hearing or pay the fine within the seven (7) days shall be deemed to have refused to pay the fine levied by the citation.

(3) The registered owner of a vehicle at the time the violation occurred shall be liable for all fines, fees and penalties which he has refused to pay.

SECTION 5. A NEW SECTION OF KRS CHAPTER 92A IS CREATED TO READ AS FOLLOWS:

(1)Any person cited for a parking violation under Section 3 of this Act may contest the determination that a violation occurred by requesting in writing a hearing before the hearing board. Such hearing shall be held no later than fourteen (14) days from the date of receipt of the request, unless prior to the hearing the person requesting such hearing requests an extension of time not to exceed fourteen (14) days. No less than seven (7) days prior to the date set for the hearing, the board shall notify the registered owner of the vehicle of the date, time and place of the hearing. Any person requesting a hearing who fails to appear at the time and place set for the hearing shall be deemed to have refused to pay the fine levied by the citation.

(2) At the hearing, after consideration of the evidence, the board shall determine whether a violation was committed. Where it has not been established that the violation was committed, an order dismissing the citation shall be entered. Where it has been established that a violation was committed, the board shall uphold the citation and order the owner to pay the citation within seven (7) days. A copy of such order shall be furnished the owner. Any person ordered to pay the fine who fails to do so within seven (7) days shall be deemed to have refused to pay the fine levied by the citation.

(3) The board may consider the parking citation and any other written report made under oath by the officer who issued the citation in lieu of the officer's personal appearance at the hearing.

(4) An appeal from the hearing board's determination may be made to the district court of the county in which the city is located within seven (7) days of the board's determination. The appeal shall be initiated by the filing of a complaint and a copy of the board's order in the same manner as any civil action under the Rules of Civil Procedure. The action shall be tried de novo and the burden shall be upon the local government to establish that a violation occurred. If the court finds that a violation occurred, the owner shall be ordered to pay to the local government all fines, fees and penalties occurring as of the date of the judgment. If the court finds that a violation did not occur, the local government shall be ordered to dismiss the citation and the plaintiff shall be authorized to recover his costs.

(5) The judgment of the district court may be appealed to the circuit court in accordance with the rules of civil procedure.

SECTION 6. A NEW SECTION OF KRS CHAPTER 92A IS CREATED TO READ AS FOLLOWS:

(1) Any local government may impound a motor vehicle parked, stopped or standing upon a street or public way within its jurisdiction in violation of an ordinance or statute prohibiting parking, stopping or standing in the location, manner or at the time the vehicle is cited or for any other lawful reason.

(2) The local government, in addition to the fines levied for the parking or traffic offense, may by ordinance impose reasonable towing, handling and storage charges upon such impounded vehicle.

(3) A local government may condition the release of an impounded vehicle upon the payment of the towing, handling and storage charges imposed thereon, unless the owner or other person entitled to possession challenges the validity of the impoundment pursuant to subsection (4) of this section. A vehicle may be released to the owner or other person entitled to possession only upon proof of ownership or right to possession. The local government may require reasonable security, bond or other assurances of indemnification from a person who is not the registered owner of the vehicle prior to releasing the vehicle to such person.

(4) The owner of a motor vehicle which has been impounded pursuant to this section or other person entitled to possession, may challenge the validity of such impoundment and request in writing a hearing before the hearing board. The hearing shall be conducted within ten (10) business days of the date of the request, unless the owner or other person entitled to possession waives the limitation or the local government shows good cause for such delay. The local government shall retain possession of the vehicle pending the hearing, unless the owner or other person claiming right of possession posts a bond in an amount equal to the fines and fees accrued as of the date of the hearing request, or seventy-five dollars ($75) whichever is less. If the owner or person claiming possession of the vehicle is unable to pay the amount of the bond, the hearing shall be held within seventy-two (72) hours of the date the request for hearing is received, unless such person requests or agrees to a continuance.

(5) (a) No less than five (5) days prior to the date set for the hearing, the local government shall notify the person requesting the hearing of the date, time and place of the hearing. In the case of a hearing required to be held within seventy-two (72) hours of the date of the request as provided in subsection (4) of this section, the person requesting the hearing shall be informed at the time of his request, or as soon thereafter as is practicable, of the date and time of the hearing.

(b) Any person who refuses or, except for good cause, fails to appear at the time and place set for the hearing shall be deemed to have conceded on his and the owner's behalf the validity of the impoundment.

(c) At the hearing, after consideration of the evidence, the board shall determine whether the impoundment was valid and reasonable. Where it has not been established that the impoundment was justified, an order releasing the vehicle shall be entered. All fines and fees paid or amounts posted as bond because of the impoundment of the vehicle shall be returned. Where it has been established that the impoundment was justified, the board shall uphold the impoundment and condition the release of the vehicle upon payment of all fines and fees accruing thereto. If bond has been posted as security for release of the vehicle, said bond shall be forfeited to the local government. Any fines or fees in excess of the amount of the bond posted shall be ordered to be paid by the owner of the vehicle to the local government. The board shall furnish the owner or person appearing on the owner's behalf with a copy of its order.

(d) The board may consider a parking citation and any other written report made under oath by the issuing officer in lieu of the officer's personal appearance at the hearing.

(e) An appeal from the hearing board's determination may be made to the district court of the county in which the local government is located within seven (7) days of the board's determination. The appeal shall be initiated by the filing of a complaint and a copy of the board's order in the same manner as any civil action. The action shall be tried de novo and the burden shall be on the local government to establish that impoundment was justified. If the court finds that the impoundment was justified, the owner shall be ordered to pay all fees and fines accruing as of the date of judgment. If the court finds that the impoundment was not justified, the local government shall be ordered to release the vehicle, if applicable, and to return all fines and fees paid as a result of the impoundment and the plaintiff shall be authorized to recover his costs.

(f) The judgment of the district court may be appealed to the circuit court in accordance with the rules of civil procedure.

SECTION 7. A NEW SECTION OF KRS CHAPTER 92A IS CREATED TO READ AS FOLLOWS:

(1) If within ten (10) business days of impoundment a motor vehicle impounded by a local government has not been claimed, or a hearing has not been requested pursuant to Section 6 of this Act, notice shall be mailed by certified mail to the registered owner, if known, and lienholders of record, if any, affording such parties the right within ten (10) days from the date of notice to claim the vehicle or request a hearing pursuant to Section 6 of this Act. The notice shall state that, if no hearing is requested, the vehicle shall be deemed abandoned unless the charges thereon are paid within ninety (90) days of receipt of notice.

(2) After ninety (90) days from the date of notice required by subsection (1) of this section an impounded motor vehicle shall be deemed abandoned and the vehicle shall escheat to the local government.

(3) If the vehicle is judged suitable for use, the local government may obtain a certificate of registration and ownership from the county clerk pursuant to KRS 186.020 and either use the vehicle for governmental purposes or sell the vehicle at public auction to the highest bidder. If the vehicle is not suitable for use, it may be sold for its scrap or junk value.

SECTION 8. A NEW SECTION OF KRS CHAPTER 92A IS CREATED TO READ AS FOLLOWS:

(1) The local government shall possess a lien on a motor vehicle impounded pursuant to Section 6 for all fines, penalties, and towing, handling and storage charges and fees imposed thereon. Such lien shall be superior to and have priority over all other liens thereon.

(2) Nothing in this Act shall otherwise affect the rights or obligations between the owner of the motor vehicle and those persons who claim a security interest therein.

Section 9. KRS 186.020 is amended to read as follows:

(1) Before the owner of a motor vehicle, other than a motor vehicle engaged in the transportation of passengers for hire operating under a certificate of convenience and necessity, may operate it or permit its operation upon a highway, the owner shall apply for registration in accordance with regulations issued by the cabinet, except that a person who purchases a motor vehicle, or brings a motor vehicle into the Commonwealth from another state shall make application for registration within ten (10) days. The bill of sale or assigned title must be in the motor vehicle during this ten-day period. If the owner of a motor vehicle is an individual and resides in the Commonwealth, the motor vehicle shall be registered with the county clerk of the county in which he resides. If the owner of a motor vehicle does not reside in the Commonwealth, the motor vehicle shall be registered with the county clerk of the county in which the motor vehicle is principally operated. If the owner of a motor vehicle is other than an individual and resides in the Commonwealth, the motor vehicle shall be registered with the county clerk of either such county. The application when presented to the county clerk for registration shall be accompanied by:

(a) A bill of sale and a manufacturer's certificate of origin if the application is for the registration of a new motor vehicle; or

(b) The owner's registration receipt, if the motor vehicle was last registered in this state; or

(c) A bill of sale and the previous registration receipt, if last registered in another state where the law of such state does not require the owner of a motor vehicle to obtain a certificate of title or ownership; or

(d) A certificate of title, if last registered in another state where the law of such state requires the owner of a motor vehicle to obtain a certificate of title or ownership.

(e) An affidavit from an officer of a local government saying that the motor vehicle has been abandoned and that the provisions of Section 7 of this Act have been complied with, for local governments which elect to use the provisions of this Act.

(2) (a) After that, the owner of any motor vehicle registered under KRS 186.050(1) shall register his motor vehicle on or before the date on which his certificate of registration expires. If, before operating such motor vehicle in this state, the owner registers it at some later date and pays the fee for the full year, he will be deemed to have complied with the law. Insofar as the owner is concerned, registration with the clerk shall be deemed to be registration with the cabinet.

(b) After that, the owner of any motor vehicle registered under KRS 186.050(2) shall register his motor vehicle on or before March 1 of each year. If, before operating such motor vehicle in this state, the owner registers it at some later date and pays the fee for the full year, he will be deemed to have complied with the law. Insofar as the owner is concerned, registration with the clerk shall be deemed to be registration with the cabinet.

(3) After that, the owner of any commercial vehicle registered under KRS 186.050(3) through (14) shall register his commercial vehicle on or before April 1 of each year. If, before operating such commercial vehicle in this state, the owner registers it at some later date and pays the required fee, he will be deemed to have complied with the law. Insofar as the owner is concerned, registration with the clerk shall be deemed to be registration with the cabinet.

(4) The application and documents presented therewith, including the sheriff's certificate of inspection, shall be affixed to the transportation cabinet copy of the certificate of title or registration and sent to the transportation cabinet by the clerk.

SECTION 10. KRS CHAPTER 92A IS ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

This Act may be cited as the "Local Government Parking Citation Enforcement Act."

Section 11. KRS 424.190 is amended to read as follows:

[~~(1)~~] In any case where a statute now gives discretion to a public officer or agency or governmental body as to the method of making an advertisement required by the statute, and in any case where a statute now provides that an advertisement may be made either by posting or by newspaper publication, the advertisement shall be made by newspaper publication in accordance with the provisions of this chapter, except as provided in subsection (2) of this section.

[~~(2) Any city of the fifth or sixth class may, when the cost of the newspaper publication exceeds the cost of postage, supplies and reproduction for the alternative method of publication, in lieu of newspaper publication of advertisement, substitute delivery of a copy of the advertisement by first class mail to each residence within the publication area.~~]

Section 12. KRS 424.220 is amended to read as follows:

Excepting officers of a city of the first class, a county containing such a city, a public agency of such a city or county, or a joint agency of such a city and county, or of a school district of such a city or county, and excepting officers of a city of the second class or an urban county government, every public officer of any school district, city, county, or subdivision or district less than a county, whose duty it is to collect, receive, have the custody, control or disbursement of public funds, and every officer of any board or commission of a city, county or district whose duty it is to collect, receive, have the custody, control or disbursement of funds collected from the public in the form of rates, charges or assessments for services or benefits, shall at the expiration of each fiscal year prepare an itemized, sworn statement of the funds collected, received, held or disbursed by him during the fiscal year just closed, unless he has complied with KRS 424.230. The statement shall show in the aggregate by source, the amount of funds collected and received, and in the aggregate by payee, the amounts disbursed, or the amount of funds collected and received, from what sources received, the amount disbursed, the date of each disbursement, for what purpose expended, and to whom paid, except that only the totals of amounts paid to each individual as salary or commission and public utility bills need to be shown and except that the amount of salaries paid to all teachers shall be shown as a lump sum instructional expenditure for the school district and not by amount paid to individual teachers and the amount of salaries paid to all other employes of the board shall be shown as lump sum expenditures by category, including, but not limited to, administrative, maintenance, transportation, and food service; however the local board of education must have accessible a factual list of individual salaries for public scrutiny and the local board shall furnish by mail a factual list of individual salaries of its employes to a newspaper qualified under KRS 424.120 to publish advertisements for the district, which newspaper may then publish as a news item the individual salaries of school employes. The officer shall procure and include in or attach to the statement as a part thereof a certificate from the cashier or other proper officer of the banks in which the funds are or have been deposited during the past year, showing the balance, if any, of funds to the credit of the officer making the statement. *The officer shall cause a copy of the financial statement to be delivered to the newspaper qualified under KRS 424.120 to publish advertisements for the city, which newspaper may then publish as a news item.* The officer shall, except in a city electing to publish [~~its~~] audit *information* [~~in lieu of the financial statement~~] pursuant to KRS 91A.040(6), within sixty (60) days after the close of the fiscal year, cause *a notice of such* [~~the~~] statement to be published [~~in full~~] in a newspaper qualified under KRS 424.120 to publish advertisements for the city, county or district, as the case may be. *Such notice shall state the location of the full text of the financial statement and the hours during which it may be examined or copies be obtained by the public.* Promptly after the publication is made, the officer shall file a written or printed copy of the advertisement with proof of publication, in the office of the county clerk of the county. Within thirty (30) days after publication, the officer shall file with the auditor of public accounts a copy of the newspaper containing the statement.

Section 13. KRS 424.230 is amended to read as follows:

Any officer who is subject to the provisions of KRS 424.220 may elect to prepare [~~and publish~~] monthly or quarterly statements, in lieu of the annual statements required by KRS 424.220. All of the provisions of KRS 424.220 shall be applicable to such a monthly or quarterly statement except that (1) the statement shall cover only the preceding month or quarter, as the case may be, and (2) the publication shall be made within thirty days after the end of the month or quarter, as the case may be. Any officer who has elected to proceed under this section shall not be exempted from the requirements of KRS 424.220 for any fiscal year unless he has caused to be prepared and published, in accordance with this section, a proper statement for each month or quarter of the fiscal year.

Section 14. KRS 424.240 is amended to read as follows:

Immediately following the adoption of an annual budget by any city other than one of the first class, the city clerk shall cause a *copy* [~~summary~~] of the [~~budget or the~~] text of the budget *to be delivered to the newspaper qualified under KRS 424.120 to publish advertisements for the city, which newspaper may then publish as a news item. The city clerk shall also cause publication of notice of the location of the full text of* *the budget and the hours during which it may be examined or copies obtained by the public* [~~ordinance to be advertised for the city by publication in a newspaper~~].

Section 15. KRS 91A.040 is amended to read as follows:

(1) Each city, except a city of the sixth class, and except as provided in KRS 91A.041, shall, as soon as practicable and in no event later than two hundred seventy (270) days after the close of each fiscal year, cause each fund of the city to be audited by the auditor of public accounts or a certified public accountant.

(2) Each city of the sixth class, except cities having staggered terms under the provisions of KRS 83A.110, shall upon the expiration of the terms of office of its legislative members, cause each fund of the city to be audited by the auditor of public accounts or a certified public accountant. Those cities of the sixth class having staggered terms under the provisions of KRS 83A.110 shall, upon the expiration of the terms of office of legislative body members elected in odd numbered years, cause each fund of the city to be audited by the auditor of public accounts or a certified public accountant. Such audits shall be completed as soon as practicable and in no event later than two hundred seventy (270) days from the expiration of the terms of office of the aforementioned legislative body members.

(3) Each city shall enter into a written contract with the selected auditor. The contract shall set forth all terms and conditions of the agreement which shall include, but not be limited to, requirements that:

(a) The auditor be employed to examine the general purpose financial statements of all governmental proprietary and fiduciary funds of the city;

(b) All audit information be prepared in accordance with generally accepted governmental auditing standards which includes such tests of the accounting records and such auditing procedures as considered necessary in the circumstances. Where the audit is to cover the use of state or federal funds, appropriate state or federal guidelines shall be utilized;

(c) The auditor prepare a typewritten or printed report embodying the general purpose financial statements and his opinion and statements relating thereto;

(d) The auditor express an overall opinion as to whether the general purpose financial statements present fairly the financial condition of the city or state the reasons why an overall opinion cannot be expressed;

(e) The completed audit and all accompanying documentation shall be presented to the city legislative body at a regular or special meeting;

(f) Any contract with a certified public accountant for an audit shall require the accountant to forward a copy of the audit report and management letters to the auditor of public accounts upon request of the city or the auditor of public accounts, and the auditor of public accounts shall have the right to review the certified public accountant's work papers upon request.

(4) Within ten (10) days of the completion of an audit, and its presentation to the city legislative body pursuant to paragraph (2)(e) of this section, each city shall forward three (3) copies of the audit report to the finance and administration cabinet for information purposes. The cabinet shall forward one (1) copy of the audit to the legislative research commission to be used for the purposes of KRS 6.955 to 6.975.

(5) A copy of an audit report which meets the requirements of this section shall be considered satisfactory and final in meeting any official request to a city for financial data, except for statutory or judicial requirements, or requirements of the legislative research commission necessary to carry out the purposes of KRS 6.955 to 6.975.

(6) Upon completion of an audit, each city *shall cause a copy of the audit report to be delivered to the newspaper qualified under KRS 424.120 to publish advertisements for the city, which newspaper may then publish as a news item.* [~~may elect to publish the auditor's report in accordance with subsection (6) of this section, or publish a financial statement in accordance with subsection (7) of this section. Notwithstanding the election of subsection (6) or (7) of this section,~~] The city shall [~~within ninety (90) days after the close of the fiscal year,~~] cause to be published in a newspaper qualified under KRS 424.120 a *notice of the completion of the audit, stating the location of the full text of the audit and audit report and the hours during which it may be examined or copies obtained by the public* [~~legal display advertisement of not less than eight (8) column inches that the statement required by KRS 424.220 has been prepared and that copies have been provided to each local newspaper of general circulation, each news service, and each local radio or television station which has on file with the city a written request to be provided such statement~~].

(7) [~~If the city elects to publish the auditor's report prepared in accordance with this section~~] In lieu of the *publishing requirements as set forth in this section, any city may comply with the provisions of KRS 424.220, and compliance with such provisions shall constitute compliance with the financial publication requirements of this section* [~~financial statement required by KRS 424.220, it shall publish such report, together with the general purpose financial statements of the city, which shall include the combined balance sheets, combined statements of revenues, expenditures or expenses, and changes in fund balances, retained earnings, or financial position for each fund of the city, and notes to such general purpose financial statements, in accordance with KRS Chapter 424. In addition, the advertisement shall contain a statement that copies of the financial statement prepared in accordance with KRS 424.220 are available to the public at no cost at the business address of the officer responsible for preparation of such statement.~~]

~~(8) If the city, other than a city of the first or second class or urban-county government, elects to publish the financial statement prepared in accordance with KRS 424.220 in lieu of publishing the auditor's report, it shall, within sixty (60) days after the completion of the audit, publish such statement in accordance with KRS Chapter 424~~].

(8)[~~(9)~~] Any city of the fifth or sixth class may utilize the alternative publication methods authorized by KRS 424.190[~~(2)~~] to comply with the provisions of this section.

(9)[~~(10)~~] Any person who violates any provision of this section shall be fined not less than fifty dollars ($50.00) nor more than five hundred dollars ($500). In addition, any officer who fails to comply with any of the provisions of this section shall, for each failure, be subject to a forfeiture of not less than fifty dollars ($50.00) nor more than five hundred dollars ($500), in the discretion of the court, which may be recovered only once, in a civil action brought by any resident of the city. The costs of all proceedings, including a reasonable fee for the attorney of the resident bringing the action, shall be assessed against the unsuccessful party.

Section 16. KRS 83A.060 is amended to read as follows:

(1) Each ordinance shall embrace but one (1) subject and shall have a title which shall clearly state the subject.

(2) Each ordinance shall be introduced in writing and shall have an enacting clause styled "Be it ordained by the City of ______________________."

(3) No ordinance shall be amended by reference to its title only, and ordinances to amend shall set out in full the amended ordinance or section indicating any words being added by a single solid line drawn underneath them, and any words being deleted by a single broken line drawn through them.

(4) Except as provided in subsection (7) of this section, no ordinance shall be enacted until it has been read on two (2) separate days. The reading of an ordinance may be satisfied by stating the title and reading a summary rather than the full text.

(5) A city legislative body may adopt the provisions of any local, statewide or nationally recognized standard code and codifications of entire bodies of local legislation by an ordinance which identifies the subject matter by title, source and date and incorporates the adopted provisions by reference without setting them out in full, provided a copy accompanies the adopting ordinance and is made a part of the permanent records of the city.

(6) Unless otherwise provided by statute, a majority of a legislative body shall constitute a quorum and a vote of a majority of a quorum shall be sufficient to take action.

(7) In an emergency, upon the affirmative vote of two-thirds (2/3) of the membership, a city legislative body may suspend the requirements of second reading and publication in order for an ordinance to become effective by naming and describing the emergency in the ordinance. Publication requirements of subsection (9) of this section shall be complied with within ten (10) days of the enactment of the emergency ordinance.

(8) Every action of the city legislative body shall be made a part of the permanent records of the city and on passage of an ordinance the vote of each member of the city legislative body shall be entered on the official record of the meeting. The legislative body shall provide by ordinance for the maintenance and safekeeping of the permanent records of the city. The person assigned this responsibility and the presiding officer shall sign the official record of each meeting. All ordinances adopted in a city shall, at the end of each month, be indexed and maintained in the following manner:

(a) The city budget, appropriations of money and tax levies shall be maintained and indexed so that each fiscal year is kept separate from other years.

(b) All other city ordinances shall be kept in the minute book or an ordinance book in the order adopted and indexed in a composite index or maintained in a code of ordinances.

(9) Except in cities of the first class and as provided in subsection (7) of this section, no ordinance shall be effective until published pursuant to KRS Chapter 424. Ordinances, except bond ordinances, imposing fines, forfeitures, imprisonment, taxes or fees shall be published in full. The publication requirements for all other ordinances including all bond and zoning ordinances shall be satisfied by publication *of a notice of the adoption of an ordinance. The notice shall state the title of and a summary of the bill. The notice shall state the location of the full text of the ordinance and the hours during which it may be examined or copies be obtained by the public* [~~in full or in summary as designated by the legislative body. The requirements for summary publication shall be satisfied by publication of the title and a certified summary of the contents prepared by an attorney licensed to practice law in the Commonwealth of Kentucky. Ordinances that include descriptions of real property may include a sketch, drawing, or map, including common landmarks, such as streets or roads in lieu of metes and bounds descriptions~~].

(10) A city may by ordinance specify additional requirements for adoption of ordinances in greater detail than contained herein, but a city shall not lessen or reduce the substantial requirements of this section or any other statute relating to adoption of ordinances.

(11) Not less than once every five (5) years each city shall cause all ordinances in the composite index or code of ordinances to be examined for consistency with state law and with one another and to be revised to

eliminate redundant, obsolete, inconsistent and invalid provisions.

(12) The legislative body may adopt municipal orders. Any order shall be in writing and may be adopted only at an official meeting. Any order may be amended by a subsequent municipal order or ordinance. All orders adopted shall be maintained in an official order book.

(13) In lieu of an ordinance, a municipal order may be used for matters relating to the internal operation and functions of the municipality and to appoint or remove or approve appointment or removal of members of boards, commissions and other agencies over which the city has control.

(14) All ordinances, and orders of the city may be proved by the signature of the city clerk; and when the ordinances are placed in a printed composite index or code of ordinances by authority of the city, the printed copy shall be received in evidence by any state court without further proof of such ordinances.

(15) For anything said in debate, legislative body members shall be entitled to the same immunities and protections allowed to members of the general assembly.

Section 17. KRS 81A.470 is amended to read as follows:

(1) Whenever the limits of a city are enlarged or reduced, the city shall, *within sixty (60) days thereof,* cause an accurate map of the annexed or severed area with a metes and bounds description, together with a copy of the ordinance duly certified, to be recorded in the office of the county clerk of the county or counties in which the city is located and in the office of the secretary of state.

(2) No city which has annexed new territory may levy any tax upon the residents or property within such annexed area until the city has complied with the provisions of subsection (1) of this section, and of KRS 81A.475.

Section 18. KRS 81A.475 is amended to read as follows:

Whenever any city annexes any unincorporated area or any city, or reduces the boundaries of the city, it shall be the duty of the legislative body of the annexing city to provide *within sixty (60) days thereof to* the county clerk of the county in which the annexing city is located with a map clearly delineating the boundaries of the area affected along with a list of the names and addresses of those property owners and/or registered voters who reside in such area.

Section 19. KRS 81A.010 is amended to read as follows:

The boundaries of cities of the first class shall remain as established by law until changed as provided in KRS 81A.010 to *81A.020, 81A.440 or through merger with a contiguous city pursuant to KRS 81.410 - 81.440* [~~81A.040~~]. Whenever a city of the first class desires to annex any unincorporated territory or to reduce the boundaries of the city, the city legislative body may enact an ordinance, defining accurately the boundary of the territory proposed to be annexed or stricken off. The ordinance shall be published pursuant to KRS chapter 424. In not less than thirty (30) days after the enactment of the ordinance, if the publication has been made and no petition has been filed in the circuit court as provided in KRS 81A.020, the city legislative body may enact another ordinance annexing to the city or striking from the city the territory described in the ordinance. Upon the enactment of this ordinance, the territory shall become part of the city, or be stricken from the city.

Section 20. KRS 81A.050 is amended to read as follows:

Any city of the first class which proposes to annex territory pursuant to KRS 81A.010 [~~or 81A.030~~] shall, prior to the enactment of the first ordinance, hold public hearings as provided in KRS 81A.060 and prepare a report setting forth the plans for the extension of services to the area proposed to be annexed. The report shall include:

(1) A map of the city and adjacent territory to show the following information:

(a) The present and proposed boundaries of the city;

(b) The present streets, major trunk water mains, sewer interceptors and outfalls as well as other utility lines;

(c) The present areas receiving, or able to receive, major city services, and the proposed extension of such services to other areas; and

(d) The prevailing general land use patterns existing in the area to be annexed.

(2) A statement showing that the area to be annexed meets the requirements of KRS 81A.010 [~~or 81A.030~~].

(3) A statement setting forth the plans of the city for extending to the area to be annexed each major city service owned by the city or subsidized through city tax revenues and performed within the city at the time of annexation. Such statement shall:

(a) Provide for extending police and fire protection, garbage collection, and street maintenance services to the area to be annexed on the date of annexation, on substantially the same basis and in the same manner as such services are provided within the boundaries of the city prior to annexation;

(b) Provide for extension, into the area to be annexed, of streets and of major trunk water mains, sewer outfall lines, and lines for such utility services as the city provides to existing city residents and legally may provide in the annexed area, so that when such streets and utility lines are constructed, property owners in the area to be annexed will be able to secure the services, according to the policies in effect in the city for extending the services to individual lots or subdivisions; and shall name the government proposed to be responsible under the plans for any streets or form a boundary of the area to be annexed;

(c) Set forth a proposed timetable for the extension of, and if necessary, the construction for each major city service;

(d) Set forth a projected estimation of tax rates pursuant to KRS 81A.070 to be levied by the city upon the area to be annexed and affected residents of that area for each year until such time that all major city services have been provided; and

(e) Set forth the method under which the city plans to finance extension of services into the area to be annexed.

Section 21. KRS 81A.400 is amended to read as follows:

The boundaries of any city other than a city of the first class shall remain as established by law until changed as provided in KRS 81A.410 to 81A.470. The legislative body of any city other than a city of the first class may annex any [~~city or portion of any city of the second through sixth class, or~~] unincorporated territory *pursuant to KRS 81A.420,* or reduce the boundaries of the city under the provisions of KRS [~~81A.430 and~~] 81A.440*, or a city may merge with a contiguous city pursuant to KRS 81.410 to 81.440.*

Section 22. KRS 81A.410 is amended to read as follows:

(1) A city legislative body may extend the city's boundaries to include any area:

(a) Which is adjacent or contiguous to the city's boundaries at the time the annexation proceeding is begun; and

(b) Which by reason of population density, commercial, industrial, institutional or governmental use of land, or subdivision of land, is urban in character or suitable for development for urban purposes without unreasonable delay.

(2) No part of the area to be annexed shall be included within the boundary of another incorporated city[~~, except as provided in KRS 81A.430~~].

(3) If a city is considering the annexation of two (2) or more areas which are all adjacent to the city boundary but are not adjacent to one another, it may undertake simultaneous proceedings under the authority of KRS 81A.420 [~~or 81A.430~~] for the annexation of such areas.

Section 23. KRS 81A.460 is amended to read as follows:

If a proposal by a city to annex [~~all or part of another city or~~] unincorporated territory, or to reduce its boundaries is rejected by the voters of the [~~city or~~] territory proposed to be annexed or stricken, no further steps to annex or strike the same [~~city or~~] territory shall be taken within five (5) years from the date of rejection, nor shall the question of annexation or striking off be again submitted within that period.

Section 24. KRS 81A.440 is amended to read as follows:

(1) A city may reduce its boundaries by *the enacting by its legislative body of an ordinance stating the intention of the city to reduce its boundaries. Such ordinance shall accurately define the boundaries of the area to be stricken from the corporate limits of the city, and shall provide that the question of reduction of boundaries shall be submitted to the registered voters of the area to be stricken from the city at the next regular election. A copy of the ordinance shall be sent to the county clerk who shall have prepared, for presentation to the voters located within the area to be stricken, the question: "Are you in favor of being stricken from the city of* ______________________________*, and becoming part of the unincorporated area of the county?"*

(2) If a majority of those voting on the question vote "Yes" to the question of being stricken, the legislative body of the city within ten (10) days of the certification of the election, shall enact an ordinance declaring the area to be stricken from the corporate limits of the city as of the date of the ordinance [~~following the procedure outlined in KRS 81A.430 for annexing territory~~].

Section 25. KRS 81A.450 is amended to read as follows:

[~~(1) Whenever a city annexes another city, the annexing city shall be bound for all the debts and liabilities, and shall be the owner of all corporate property, franchises and rights, of the annexed city. If only a part of another city is annexed, the annexing city shall be liable for that proportion of the debts of the other city which the value of the real estate in the part of the city annexed bears to the value of all the real estate in the city, according to the latest assessment by the property valuation administrator.~~

~~(2)~~] Whenever any unincorporated territory [~~or part of a city~~] is annexed by a city, the annexing city shall be liable for any indebtedness that is attached to or exists against the territory [~~or part of a city~~] by reason of the same being then or previously a part of any taxing district, and the annexing city shall assume the liability, so that after annexation the burden of taxation shall be uniform throughout the city.

Section 26. The following KRS sections are repealed:

81A.030 Annexation of another city by a first-class city.
81A.040 First-class city takes over rights and liabilities of city annexed.
81A.430 Annexation of all or part of city.

The Committee Amendment No. 1 to **SB 380** is as follows:

Amend printed copy of **SB 380**, beginning on page 14, line 13 and ending on page 28, line 8, delete in their entirety, sections 11, 12, 13, 14, 15 and 16; and renumber sections 17 through 26 accordingly.

The Committee on Appropriations and Revenue reported **HB 474** with Committee Substitute attached thereto, **HB 475** with Committee Substitute attached thereto, and **HB 406** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

The Committee Substitute to **HB 474** is as follows:

HB 474, AN ACT relating to appropriations for the operation, maintenance, support, and functioning of the government of the Commonwealth of Kentucky and its various officers, cabinets, departments, boards, commissions, institutions, subdivisions, agencies, and other state supported activities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART I
GENERAL FUND

There is appropriated out of the General Fund for the fiscal year ending June 30, 1984, and, including any funds pursuant to KRS 48.700 as of June 30, 1984, for the fiscal year beginning July 1, 1984, and ending June 30, 1985, and, including any funds pursuant to KRS 48.700 as of June 30, 1985, for the fiscal year beginning July 1, 1985, and ending June 30, 1986, the following sums, or so much thereof as maybe necessary, for the following officers, cabinets, departments, boards, commissions, institutions, subdivisions, and agencies of the State Government, and any and all other activities of the government of the Commonwealth of Kentucky subject to the provisions of Chapters 21, 42, 45, and 48 of the Kentucky Revised Statutes, for which a specific appropriation is in Part I listed as follows:

A. GOVERNMENT OPERATIONS

1.	EXECUTIVE OFFICE OF THE GOVERNOR	
a.	Governor	
	1984-85	$ 2,145,100
	1985-86	$ 2,225,800

Included in the above appropriation in each year of the biennium is $18,000 for the Governor's expense allowance to meet additional expenses associated with the position of Governor of Kentucky as specified in KRS 64.710.

b.	Secretary of the Cabinet	
	1984-85	$ 354,500
	1985-86	$ 362,400
c.	Governor's Office for Police and Management	
	1984-85	$ 1,316,900
	1985-86	$ 1,350,700
d.	Governor's Office for Program Administration	
	1984-85	$ 286,000
	1985-86	$ 292,300
e.	State Planning Fund	
	1984-85	$ -0-
	1985-86	$ -0-
TOTAL - EXECUTIVE OFFICE OF THE GOVERNOR		
	1984-85	$ 4,102,500
	1985-86	$ 4,231,200

2.	LIEUTENANT GOVERNOR	
	1983-84	$ 19,000
	1984-85	$ 406,500
	1985-86	$ 422,300

Included in the above appropriation in each year of the biennium is $10,000 for the Lieutenant Governor's expense allowance to meet additional expenses associated with the position of Lieutenant Governor of Kentucky as specified in KRS 64.710.

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3. SECRETARY OF STATE

a. General Operations

1983-84	$ 75,000
1984-85	$ 1,033,300
1985-86	$ 1,012,000

b. Restoration of Land Grant Books

1984-85	$ 44,000
1985-86	$ 44,000

TOTAL - SECRETARY OF STATE

1983-84	$ 75,000
1984-85	$ 1,077,300
1985-86	$ 1,056,000

4. BOARD OF ELECTIONS

1984-85	$ 1,069,400
1985-86	$ 1,085,400

Included in the above appropriation is $563,400 in fiscal year 1984-85 and $591,600 in fiscal year 1985-86 to pay the state's share of county election expenses (KRS 117.345) and the state's share of voter registration expenses (KRS 116.105). Any unexpended balance remaining at the close of each fiscal year shall lapse to the credit of the General Fund. Any amount that the state is required to pay in excess of the above amounts under the provisions of KRS 116.145 is hereby appropriated.

5. TREASURY

1984-85	$ 1,090,000
1985-86	$ 1,257,500

6. DEPARTMENT OF LAW

1984-85	$ 4,690,900
1985-86	$ 4,767,000

7. UNIFIED PROSECUTORIAL SYSTEM

a. Commonwealth's Attorney

1984-85	$ 7,195,900
1985-86	$ 7,479,000

b. County Attorney

1984-85	$ 7,675,100
1985-86	$ 7,758,300

TOTAL - UNIFIED PROSECUTORIAL SYSTEM

1984-85	$ 14,871,000
1985-86	$ 15,237,300

The above appropriation includes a maximum three percent (3%) salary increase for elected officials and staff persons each fiscal year.

It is the intent of the General Assembly that the distribution of funds to a particular county or circuit be based upon that county's or circuit's actual caseload. It is further the intent of the General Assembly that those counties or circuits receive an amount of the total funds comparable to its caseload to the state's total caseload.

8. AUDITOR OF PUBLIC ACCOUNTS

1984-85	$ 2,352,500
1985-86	$ 2,758,400

The Auditor of Public Accounts shall report in writing each sixty (60) days to the Interim Joint Committee on Appropriations and Revenue the progress of all state audits, together with copies of all completed audits.

No state agency shall enter into any contract with a non-governmental entity for an audit unless the Auditor of Public Accounts has declined in writing to perform the audit or has failed to respond within thirty (30) days of receipt of a written request. The agency requesting the audit shall furnish the Auditor of Public Accounts a comprehensive statement of the scope and nature of the proposed audit.

There is hereby appropriated to the Auditor of Public Accounts funds which are required in the auditing of federal disaster relief funds.

The Auditor shall maintain a record of all time and expenses for each audit or investigation.

Any additional expense incurred by the Auditor of Public Accounts for auditing federal funds, when such audits are mandated by a cognizant federal audit agency, shall be charged to the audited agency, when such costs may be charged against federal funds. The Auditor of Public Accounts is hereby authorized to receive these federal funds in a separate account to be established for this purpose. The Auditor shall maintain a record of all costs and expenditures associated with this provision.

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9. DEPARTMENT OF MILITARY AFFAIRS

a. General Operations

1984-85 .... $ 4,654,500
1985-86 .... $ 4,850,200

Included in the above appropriation is $152,000 in fiscal year 1984-85 and $152,000 if fiscal year 1985-86 for the Kentucky Early Warning System (KEWS) operation of which $10,000 each year is intended for the maintenance of radio equipment.

There is hereby appropriated to the department funds which are required as a result of the Governor's call of the Kentucky National Guard to active duty; provided, however, that an emergency situation shall have been declared to exist by the Governor.

b. Disaster and Emergency Services

1984-85 .... $ 1,987,700
1985-86 .... $ 2,071,300

Included in the above appropriation is $230,700 in fiscal year 1984-85 and $240,300 in fiscal year 1985-86 for the Kentucky Early Warning System (KEWS) operation.

Also included in the above appropriation is $100,000 in fiscal year 1984-85 and $100,000 in fiscal year 1985-86 for emergency expenses by the Division of Disaster and Emergency Services for disasters and emergencies. These funds may only be expended at the recommendation of the Adjutant General to the Governor.

There is hereby appropriated to the department funds required to match federal aid to which the state would be eligible in the event of a Presidentially-declared disaster or emergency.

It is the intent of the General Assembly that the appropriation level for the Division of Disaster and Emergency Services not be reduced in the event of a revenue shortfall in either fiscal year of the 1984-86 biennium.

TOTAL - DEPARTMENT OF MILITARY AFFAIRS

1984-85 .... $ 6,642,200
1985-86 .... $ 6,921,500

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10. KENTUCKY HORSE COUNCIL

1984-85 .... $ -0-
1985-86 .... $ -0-

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11. DEPARTMENT OF PERSONNEL

a. General Operations

1984-85 .... $ 4,259,200
1985-86 .... $ 4,071,100

b. Pay-for-Performance/Competitive Pay

1984-85 .... $ -0-
1985-86 .... $ -0-

TOTAL - DEPARTMENT OF PERSONNEL

1984-85 .... $ 4,259,200

1985-86 .... $ 4,071,100

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12. PERSONNEL BOARD

1984-85 .... $ 202,200
1985-86 .... $ 232,000

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13. DEPARTMENT OF LOCAL GOVERNMENT

1984-85 .... $ 3,812,200
1985-86 .... $ 3,576,000

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14. CAPITAL PLAZA

1984-85 .... $ 2,425,300
1985-86 .... $ 2,450,300

Included in the above appropriation is $1,847,500 in fiscal year 1985 and $1,873,800 is fiscal year 1986 which shall be used for debt service for the Capital Plaza.

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15. COUNTY COSTS	1984-85	1985-86
a. Base Court Revenue	$5,431,000	$5,431,000
b. Sheriffs' Fees	1,300,000	1,350,000
c. Jury Fund	3,500,000	3,650,000
d. Witnesses	60,000	65,000
e. Special Bailiffs	20,000	25,000
f. Board of Assessment Appeals	25,000	30,000
g. Fugitives from Justice	300,000	315,000
h. Sheriffs' Expense Allowance	432,000	432,000
i. Premium on Sheriffs' Bonds	525,000	550,000
j. County Clerks - Making Tax Bills	475,000	500,000

Funds required to pay county costs funded by the General Fund are hereby appropriated and additional funds may be allotted from the General Fund surplus by the Secretary of the Finance and Administration Cabinet.

TOTAL - COUNTY COSTS

1984-85 .... $ 12,068,000
1985-86 .... $ 12,348,000

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16. SPECIAL FUNDS

a. Local Government Economic Assistance Fund

1984-85 .... $ 18,250,000
1985-86 .... $ 25,700,000

The above appropriations are based on the official estimate of the Secretary of Revenue for severance tax collections during the biennium, distributed in accordance with KRS 42.450 through 42.495. In the event actual severance tax receipts are different from the official estimate, the amount to be allotted to the Local Government Economic Assistance Fund shall be determined in accordance with KRS 42.450 through 42.495.

b. Area Development Fund

1984-85 .... $ 2,910,000
1985-86 .... $ 2,910,000

c. Kentucky Center for the Arts - Debt Service

1984-85 .... $ 2,900,000
1985-86 .... $ 2,900,000

TOTAL - SPECIAL FUNDS

1984-85 .... $ 24,060,000

1985-86	$ 31,510,000

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17. GENERAL OBLIGATION BONDS

a. Park Bonds		
	1984-85	$ 560,000
	1985-86	$ 565,000
b. Veterans Bonus Bonds		
	1984-85	$ 7,855,000
	1985-86	$ 7,865,000
c. 1965 General Purpose Bonds		
	1984-85	$ 2,060,000
	1985-86	$ 2,060,000

TOTAL - GENERAL OBLIGATION BONDS

1984-85	$ 10,475,000
1985-86	$ 10,490,000

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18. BOARDS AND COMMISSIONS

a. Kentucky Athletic Commission		
	1984-85	$ 64,700
	1985-86	$ 59,200
b. Board of Properietary Education		
	1984-85	$ -0-
	1985-86	$ -0-

TOTAL - BOARDS AND COMMISSIONS

1984-85	$ 64,700
1985-86	$ 59,200

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19. FINANCIAL DISCLOSURE REVIEW COMMISSION

1984-85	$ 51,700
1985-86	$ 48,000

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20. MISCELLANEOUS APPROPRIATIONS

a. Board of Claims Awards

1984-85	$ 200,000
1985-86	$ 200,000

Funds are appropriated for the repayment of awards or judgments made by the Board of Claims against departments, boards, commissions, and other agencies maintained by appropriations out of the General Fund. However, awards under $500, in cases where the operating agency admits negligence, shall be paid from funds available for the operations of such agencies.

b. Judgments

1984-85	$ 100,000
1985-86	$ 100,000

For payment of such judgments as may be rendered against the Commonwealth by courts and orders of the State Personnel Board; such payments, where applicable, shall be subject to the provisions of KRS Chapter 45. Also, to pay medical malpractice judgments against the University of Kentucky and the University of Louisville in accordance with KRS 164.941 and 164.892. However, in no event shall the total payments exceed the sum of $5,500,000 in any fiscal year.

c. Prior Year Claims

1984-85	$ 100,000
1985-86	$ 100,000

d. Unredeemed Checks Refunded

1984-85	$ 60,000
1985-86	$ 60,000

Checks written by the State Treasurer and not cashed within the statutory period may be presented to the State Treasurer for reissuance in accordance with the provisions of KRS 41.370.

e. Blanket Employees Bonds

1984-85 .... $ -0-
1985-86 .... $ 140,000

For payment of premiums on blanket surety bonds as provided by KRS 62.170.

f. Frankfort Planning Commission

1984-85 .... $ 1,000
1985-86 .... $ 1,000

g. Frankfort Cemetery

1984-85 .... $ 2,500
1985-86 .... $ 2,500

h. Public Improvements

1984-85 .... $ 5,000
1985-86 .... $ 5,000

Funds are appropriated for paying assessments for public improvements against property owned by the State, and for which said assessments the State is deemed to be liable.

i. Police and Firemen - Life Insurance

1984-85 .... $ 50,000
1985-86 .... $ 50,000

Funds are appropriated for payment of benefits for state and local police and firemen in accordance with KRS 61.315.

j. Workers' Compensation

1984-85 .... $ 40,000
1985-86 .... $ 40,000

Fee officers in counties over 75,000 in population.

k. Master Commissioners - Employers Retirement

1984-85 .... $ 63,000
1985-86 .... $ 63,000

l. Master Commissioners - Social Security

1984-85 .... $ 100,000
1985-86 .... $ 100,000

m. Money Refunded

1984-85 .... $ 2,000
1985-86 .... $ 2,000

For refunding money paid into the State Treasury, which may later be determined not to be a lawful collection by the State. No money shall be refunded, however, after it has been paid into the State Treasury except by authority of the head of the department or agency to whom the money was originally paid and with the approval of the Secretary of the Finance and Administration Cabinet and the Attorney General.

TOTAL - MISCELLANEOUS APPROPRIATIONS

1984-85 .... $ 723,500
1985-86 .... $ 863,500

Funds required to pay the costs of items included within the Miscellaneous Appropriations category are hereby appropriated, and any required expenditure over the above amounts is to be paid from the General Fund Surplus.

TOTAL - GOVERNMENT OPERATIONS

1983-84 .... $ 94,000
1984-85 .... $ 94,444,100
1985-86 .... $103,384,700

B. COMMERCE

21. OFFICE OF THE SECRETARY

1984-85 .... $ 11,242,500
1985-86 .... $ 11,299,600

Included in the above appropriation is $10,001,200 in fiscal year 1984-85 and $12,921,000 in fiscal year 1985-86 for debt service payments on the Economic Development Bond program for the original $100 million authorization.

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22. DEPARTMENT OF ECONOMIC DEVELOPMENT

1984-85 .... $ 2,969,800
1985-86 .... $ 2,767,000

Included in the above appropriation is $50,000 in fiscal year 1984-85 for enabling legislation enacted by the 1984 General Assembly for implementation of a Business Information Clearinghouse program.

23. KENTUCKY DEVELOPMENT FINANCE AUTHORITY

1984-85 .... $ 5,434,000
1985-86 .... $ 5,424,000

The appropriation in each fiscal year is entirely for debt service payments associated with the $50 million bond issuance for the Kentucky Development Finance Authority loan program.

24. DEPARTMENT OF THE ARTS

1984-85 .... $ 2,891,300
1985-86 .... $ 2,978,700

Included in the above appropriation is $1,228,000 in each fiscal year for the Challenge Grant program to be administered by the Kentucky Arts Council.

Included in the above appropriation is $80,000 each fiscal year for Outdoor Drama Grants. These grants shall be distributed as follows: $30,000 Jenny Wiley Theatre; $20,000 Stephen Foster; $20,000 Fort Harrod Drama; and $10,000 to Pioneer Playhouse. Any grant funds not utilized by these organizations in the maximum specified amounts shall lapse to the General Fund.

25. DEPARTMENT OF AGRICULTURE

1984-85 .... $ 9,143,200
1985-86 .... $ 9,366,400

Included in the above appropriation is $50,000 each fiscal year for enabling legislation enacted by the 1984 General Assembly for an amusement ride inspection program.

Included in the above appropriation is $450,000 in fiscal year 1984-85 and $400,000 in fiscal year 1985-86 for federal fund replacement in the Brucellosis Eradication and Control program. These funds shall be allotted only after proper documentation of an actual withdrawal of federal funds is presented to the Secretary of Finance and Administration. The funds shall be allotted only with his approval.

26. COUNCIL ON AGRICULTURE

1984-85 .... $ -0-
1985-86 .... $ -0-

TOTAL - COMMERCE

1984-85 .... $ 31,688,800
1985-86 .... $ 31,835,700

C. CORRECTIONS

27. CORRECTIONS

a. Correction's Management

1984-85 .... $ 6,331,800
1985-86 .... $ 6,958,800

Included in the above appropriation is $3,000,000 in fiscal year 1985 and $3,584,500 in fiscal year 1986 for debt service to fund projects itemized in Part V of this Act. Also included is $89,000 each year to fund additional research and evaluation staff.

b. Adult Institutions

1983-84 .... $ 662,000
1985-86 .... $ 48,522,800

c. Community Services and Local Facilities c. Community Services and Local Facilities

1983-84 .... $ 1,100,000
1984-85 .... $ 10,251,100
1985-86 .... $ 11,193,300

Included in the above appropriation is $662,200 in fiscal year 1985 and $649,200 in fiscal year 1986 for an Intensive Supervision program for approximately 500 offenders who would, if not for the availability of this program, be incarcerated in a state facility.

d. Local Jail Support

1984-85 .... $ 13,960,500
1985-86 .... $ 14,613,100

Included in the above appropriation is $900,000 each year for medical care contracts to be distributed to counties by the formula for operational fund disbursement established within **SB 361** passed by the 1984 General Assembly; $100,000 is provided each year, on a partial reimbursement basis, for medical claims in excess of $2,500.

TOTAL - CORRECTIONS

1983-84 .... $ 1,762,000
1984-85 .... $ 77,436,900
1985-86 .... $ 81,288,000

D. EDUCATION AND HUMANITIES

28. Governor's Student Learning Improvement Program

1984-85 .... $ -0-
1985-86 .... $ -0-

29. DEPARTMENT OF EDUCATION

a. General Administration

1984-85 .... $ 6,080,000
1985-86 .... $ 6,241,300

Included in the above appropriation is $876,100 in fiscal year 1984-85 and $902,200 in fiscal year 1985-86 to match federal dollars for the Adult Education program in accordance with federal regulations. Also included is $129,700 in fiscal year 1984-85 and $131,000 in fiscal year 1985-86 for debt service, and $2,231,900 in fiscal year 1984-85 and $2,343,600 in fiscal year 1985-86 for maintenance of facilities and building insurance costs. The amounts herein indentified shall be expended for these purposes and no others, except as provided in this Act. Any surplus shall lapse to the General Fund.

b. Education for Exceptional Children

1984-85 .... $ 8,854,800
1985-86 .... $ 9,146,700

Of the above appropriation, at least $7,457,500 in fiscal year 1984-85 and $7,709,200 in fiscal year 1985-86 is included for the Kentucky School for the Blind and the Kentucky School for the Deaf.

Also included in this appropriation is $350,000 in each year of the 1984-86 biennium for debt service for the addition to the classroom building at the Kentucky School for the Blind.

c. School Foundation Program

1984-85 .... $873,422,400
1985-86 .... $908,749,400

Accumulated earnings for the Common School Fund shall each fiscal year be transferred to the School Foundation Program.

Funds appropriated to the School Foundation Program shall be allotted to school districts in accordance with KRS 157.310 through 157.430 and 157A.090, except that the total of the funds allotted shall not exceed the appropriations for this purpose except as provided in this Act. If funds appropriated to the School Foundation Program are insufficient to provide the amount of money required under KRS 157.390(6), allotments to local school districts shall be reduced in accordance with KRS 157.430.

The amount to be included for the 1984-85 school year in the Foundation Program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following schedule, for a term of 185 days for each rank:

Rank Experience	I	II	III	IV	V
0-3 years	$18,120	$16,210	$14,310	$12,320	$11,360
4-9 years	20,100	18,120	16,210	12,320	11,360
10 years & over	21,700	19,830	17,920	12,320	11,360

Beginning with the school year 1985-86, the amount to be included in the Foundation Program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following allotment schedule, for a term of 185 days, for each rank:

Rank Experience	I	II	III	IV	V
0-3 years	$18,660	$16,700	$14,740	$12,690	$11,700
4-9 years	20,610	18,660	16,700	12,690	11,700
10 years & over	22,380	20,420	18,460	12,690	11,700

No working budget or salary schedule shall be approved in which the average salary paid any rank of teachers is not at least equivalent to the allotment for that rank, or in which any teacher is paid less than ninety-three percent (93%) of the School Foundation Program allotment for that rank for full time service during the regular school year or the allotment under KRS 157.390(2) shall be reduced by an amount equal to the amount by which the district failed to meet salary requirements, except where there is a decline in local revenue of the district concerned after it has levied the maximum ad valorem property tax rate permitted by law. Any such reduction permitted shall be only for the amount of the decline in local revenue.

In the event any local board of education contends there has been a decline in local tax resources in that district, the State Board of Education shall certify such contention to the Revenue Cabinet. Said Cabinet shall then determine whether there has, in fact, been a decline in local tax resources of such district, and, if so, the amount of such decline. The Revenue Cabinet shall then certify its determination to the State Board of Education, and said Board shall accept such certified determination as final.

The State Board of Education shall not approve any working budgets or salary schedule summaries for local boards of education for the school years 1984-85 and 1985-86 in which the total amount for 185 days on the salary schedule summary for School Foundation Program teachers' instructional salaries is not equal to the amount for 185 days on the salary schedule summary for School Foundation Program teachers' instructional salaries in the preceding year, plus the additional amount for teachers' salaries received by the district under this appropriation for a 185 day school term by assuming the same classroom units and rank and experience of teachers in the current year as in the preceding year in each local school district.

Local school district personnel who are employed beyond the regular school term of 185 days shall be so employed in accordance with the provisions of KRS 157.390(2)(a) and 702 KAR 1:025. Funding for these extended employment days shall not exceed $19,820,000 in fiscal year 1984-85 and $19,820,000 in fiscal year 1985-86.

The allotment of any school district classroom units, pursuant to KRS 157.360(1) shall not exceed the number of teachers employed by that school district.

The allotments to school districts of basic classroom units for grades one (1) through three (3) shall be made on the basis of one for every twenty-five (25) pupils in average daily attendance. The allotments of basic classroom units for grades four (4) through twelve (12) shall be made on the basis of one for every twenty-seven (27) pupils in average daily attendance.

Notwithstanding the provisions of KRS 157.360(5), (6), and (10) the allotments, provision for which is made under this Act, for classroom units shall be as follows:

	1984-85	*1985-86*
Vocational Education	2,698	2,538
Exceptional Children	4,110	4,110

Provided, however, that if the budgeted units in any category of classroom units -- Vocational Education, Exceptional Children, Kindergarten, classroom units for elementary and secondary schools, and units related to school administration -- prove to be excessive, the surplus may be reallocated to any other category or categories by the Superintendent of Public Instruction, upon the approval of the State Board of Education and the Secretary of the Finance and Administration Cabinet.

Kindergarten units shall be allotted in fiscal year 1984-85 and fiscal year 1985-86 on the basis of one for every two classes with 25 pupils in average daily attendance in each class. The number of units allotted in school year 1984-85 shall be based on end of year prior year ADA. The number of units allotted in school year 1985-86 shall be based on end of year prior year ADA including the percent of kindergarten increase in ADA the first two months of the current year over the first two months of the previous school year.

The allotments of basic classroom units shall be made on the average daily attendance (ADA) for the end of the previous school year in public school grades one (1) through twelve (12) after the following deductions: (a) an average daily attendance of nine and six-tenths (9.6) in fiscal year 1984-85 and in fiscal year 1985-86 shall be deducted for each vocational education unit allotted, and (b) an average daily attendance of seven and two-tenths (7.2) in fiscal year 1984-85 and in fiscal year 1985-86 shall be deducted for each exceptional children unit allotted.

The Superintendent of Public Instruction shall enforce the limited class size of 25 in average daily attendance of grades kindergarten through three (3) on a district-wide basis for each local school district.

The total number of administrative and special instructional services (ASIS) units allotted under KRS 157.360(7) shall be the sum of the total allotted number of basic units, kindergarten units, vocational units, and exceptional children units divided by 9.

The State Board of Education shall promulgate regulations upon the recommendation of the Superintendent of Public Instruction which shall cause ASIS units to be allocated with first priority given to funding units required for accreditation, and second priority given to adding units for classroom instruction. The third priority of funding shall be given to other needs for ASIS units in local school districts.

Allotments for ASIS classroom units pursuant to KRS 157.360(7) shall only be for those personnel who are qualified for their respective positions under applicable provisions of law and regulations and who maintain programs which have been approved pursuant to applicable regulations.

The amount to be included in the Foundation Program for other current expenses in the 1984-86 biennium shall be determined by multiplying the number of classroom units by: $4,130 in the 1984-85 school year and $4,484 in the 1985-86 school year.

The amount to be included in the Foundation Program for capital outlay shall be determined by multiplying the number of classroom units by: $1,800 in the 1984-85 school year and $1,800 in the 1985-86 school year.

In accordance with the intent of KRS 162.060 and 162.160, no space shall be rented, purchased, or otherwise acquired and thereafter converted to classroom use without prior approval of the Superintendent of Public Instruction. The State Board of Education may adopt regulations for the housing of school children. No facilities shall be approved for classroom use which are detrimental to the health of or dangerous to the safety of school children.

If a school district operates any school or grade of a school for a term of less than 185 days in accordance with KRS 158.070, or for a school day of less than the minimum required by KRS 158.060, the average daily attendance of such school shall be reduced proportionately by the Superintendent of Public Instruction in determining the allotment of classroom units.

Any undistributed balance in the Foundation Program fund at the end of the fiscal years 1984-85 and 1985-86 shall lapse to the General Fund except where provisions to the contrary are provided in this Act. No unexpended portions of the School Foundation Program fund shall be expended at any time for the purpose of KRS 156.610 through 156.650 except as identified in this Act.

The total appropriation for the School Foundation Program shall be measured by, or construed as, estimates of the state expenditures required by KRS 157.310 et. seq. If the required expenditures exceed these estimates, the Secretary of the Finance and Administration Cabinet, with approval of the Governor, may increase the appropriation by such amount as may be available and necessary to meet, to the extent possible, the required expenditures under the hereinabove cited sections of the Kentucky Revised Statutes; provided, however, that any such increase, of the total appropriation to the Foundation Program is subject to Part VI, General Provisions, Section 8, of this Act, and the provisions of KRS 45.160.

Included in this appropriation is $76,166,500 in fiscal year 1984-85 and $76,166,500 in fiscal year 1985-86 for the costs of transporting pupils to and from school. Calculations of the allotments of pupil transportation funds to school districts shall be made in accordance with KRS 157.370 and 157A.090, except that the total of the funds allotted under KRS 157.390(5) shall not exceed $76,165,500 in fiscal year 1984-85 and $76,166,500 in fiscal year 1985-89; provided, however, that these sums may be increased by any excess funds appropriated for the School Foundation Program, but no such increases shall exceed the total transportation cost calculated in accordance with KRS 157.370 and 157A.090, subject to the approval of the Superintendent of Public Instruction and the Secretary of the Finance and Administration Cabinet, except where provisions to the contrary are stated in this Act.

In the event that the funds appropriated for pupil transportation in fiscal 1984-85 and fiscal year 1985-86 are insufficient to provide allotments to local school districts in accordance with KRS 157.370 and 157A.090, notwithstanding KRS 157.430, the allotments of funds for pupil transportation only to local school districts shall be ratably reduced without reducing other allotments under this appropriation.

Included in the School Foundation Program appropriation is $1,964,000 in fiscal year 1984-85 and $1,964,000 in fiscal year 1985-86 for Vocational Transportation.

d. Power Equalization

1984-85	$ 39,177,500
1985-86	$ 41,136,400

Funds are appropriated for the purpose of equalizing expenditures among students in local school districts in accordance with KRS 157.545 - 157.575.

e. Instruction

1984-85	$ 8,873,700
1985-86	$ 27,617,100

Included in the above appropriation is $800,000 in fiscal year 1984-85 and $1,000,000 in fiscal year 1985-86 for a program of Essential Skills Instruction and Testing for Students.

The above appropriation also includes $200,000 in fiscal year 1984-85 and $16,000,000 in fiscal year 1985-86 for a program of Essential Skills Remediation for Students.

The above appropriation also includes $100,000 in fiscal year 1984-85 and $2,500,000 in fiscal year 1985-86 for a New Teacher Testing and Internship Program.

The above appropriation also includes $5,089,100 in fiscal year 1984-85 and $5,342,500 in fiscal year 1985-86 for the Gifted and Talented Program; of which $75,000 in fiscal year 1984-85 and $150,000 in fiscal year 1985-86 shall be used to establish an Advisory Council for Gifted and Talented Programs.

The above appropriation also includes $410,000 in fiscal year 1984-85 and $430,500 in fiscal year 1985-86 for the Math and Science Scholarship Program administered in accordance with regulations promulgated by the State Board of Education.

f. Local Services

1984-85 .... $ 14,068,500
1985-86 .... $ 15,516,800

Included in the above appropriation is $2,656,200 for fiscal year 1984-85 and $2,789,000 for fiscal year 1985-86 for reimbursements to local school districts for the Out-of-District Children program operated in accordance with KRS 158.135 and applicable regulations. Funds to be expended for the Out-of-District Children program shall be limited to these amounts, and if sufficient funds are not available within these allocated amounts to reimburse each district for the total allowed cost of the program, each allocation shall be ratably reduced to the level of available funds.

The above appropriation also includes $304,600 in fiscal year 1984-85 and $319,900 in fiscal year 1985-86 for school district audits; and $5,834,500 in fiscal year 1984-85 and $7,071,200 in fiscal year 1985-86 for the purchase of textbooks for grades kindergarten through eight.

The textbooks selected by the textbook commission for each subject and grade shall be used as a basal text in school districts for a period of six (6) years.

No appropriation is included in this Act for the replacement of student fees; therefore, public schools may charge students for necessary fees and rentals, and may require students to purchase necessary instructional materials, notwithstanding the provisions to the contrary in KRS 158.107.

g. Local District Health and Life Insurance

1984-85 .... $ 37,235,400
1985-86 .... $ 41,821,500

Included in the above appropriation is $463,500 in fiscal year 1984-85 and $465,600 in fiscal year 1985-86 to provide life insurance to each full-time certified and non-certified employe of local boards of education. Also included in the above appropriation is $36,596,400 in fiscal year 1984-85 and $41,171,200 in fiscal year 1985-86 to purchase medical insurance for certified and non-certified full-time employees of local boards of education pursuant to applicable statutes and regulations. If the costs for life insurance or health insurance exceed the levels of appropriated funds, any unexpended School Foundation Program funds may be used to offset such expenditures, subject to the approval of the Secretary of the Finance and Administration.

h. Vocational Education

1984-85 .... $ 41,217,200
1985-86 .... $ 43,336,200

Included in the above appropriation is at least $1,697,600 in fiscal year 1984-85 and $1,782,500 in fiscal year 1985-86 for equipment procurement and maintenance.

i. Vocational Rehabilitation

1984-85 .... $ 4,134,500
1985-86 .... $ 4,195,000

j. Administrative Services and Budget Management

1984-85 .... $ 3,014,300 1985-86 .... $ 3,171,900

k. Bluegrass State Skill Corp.

1984-85 .... $ 417,200
1985-86 .... $ 438,000

TOTAL - DEPARTMENT OF EDUCATION

1984-85 .... $1,036,495,500
1985-86 .... $1,101,370,300

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30. KENTUCKY EDUCATIONAL TELEVISION

1984-85 .... $ 7,704,000
1985-86 .... $ 7,996,500

Included in the above appropriation is $608,800 in fiscal year 1984-85 and $607,800 in fiscal year 1985-86 for debt service.

31. HISTORICAL SOCIETY

1984-85	$ 1,480,000
1985-86	$ 1,539,300

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32. LIBRARY AND ARCHIVES

1984-85	$ 8,491,800
1985-86	$ 8,797,300

The appropriation includes $1,689,000 in fiscal year 1984-85 and $1,718,000 in fiscal year 1985-86 for debt service payments for the new State Library and Archives Building.

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33. BUREAU FOR THE BLIND

1984-85	$ 1,171,300
1985-86	$ 1,224,100

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34. KENTUCKY SCHOOL BUILDING AUTHORITY

1984-85	$ 6,022,900
1985-86	$ 6,032,000

Funds are appropriated for the purpose of meeting the debt service requirements on bonds and bond anticipation notes previously issued or authorized by the Authority. Included in the appropriation is $86,600 in fiscal year 1984-85 and $88,500 in fiscal year 1985-86 for administration.

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35. TEACHERS' RETIREMENT SYSTEM

1984-85	$127,223,800
1985-86	$130,308,500

Funds are appropriated to comply with the obligations of the state under the Teachers' Retirement System statutes as provided in KRS 161.220 through 161.710.

The above appropriation is based upon estimated funds needed to meet the requirements of KRS 161.220 through 161.710. In the event the above appropriations are in excess of these requirements, such excess funds shall lapse to the credit of the General Fund.

In accordance with KRS 161.420, in each fiscal year an amount not greater than four percent (4%) of the receipts of the state accumulation shall be set aside into the expense fund or expended for the administration of the retirement system. No General Fund dollars are provided in fiscal year 1984-85 or fiscal year 1985-86 for the cost of administration.

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36. COMMISSION ON HUMAN RIGHTS

1984-85	$ 1,132,500
1985-86	$ 1,171,800

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37. COMMISSION ON WOMEN

1984-85	$ 170,000
1985-86	$ 175,600

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38. ORAL HISTORY COMMISSION

1984-85	$ 86,100
1985-86	$ 89,400

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39. HERITAGE COUNCIL

1984-85	$ 370,300
1985-86	$ 380,300

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40. COMMISSION ON THE DEAF AND HEARING IMPAIRED

1984-85	$ 162,100
1985-86	$ 167,300

41. OFFICE OF THE SECRETARY

1983-84	$ -0-
1984-85	$ -0-
1985-86	$ -0-

TOTAL EDUCATION AND HUMANITIES

1983-84	$ -0-
1984-85	$1,190,510,300
1985-86	$1,259,252,400

E. ENERGY

42. KENTUCKY ENERGY CABINET

a. Administration and Support

1984-85	$ 919,300
1985-86	$ 925,600

b. Department of Energy Research and Development

1984-85	$ 6,987,300
1985-86	$ 6,704,600

Included in the above appropriation is $350,000 in 1984-85 fiscal year for capital project in Part V.

c. Energy Demonstration Trust Fund

1984-85	143,900
1985-86	138,800

d. Department of Energy Production & Utilization

1984-85	848,100
1985-86	790,000

TOTAL - ENERGY CABINET

1984-85	$ 8,898,600
1985-86	$ 8,559,800

F. FINANCE AND ADMINISTRATION

43. FINANCE AND ADMINISTRATION CABINET

a. Office of the Secretary

1984-85	$ 1,494,400
1985-86	$ 1,970,700

Included in the above appropriation is $150,000 each fiscal year for payment to the City of Frankfort for the provision of fire and police protection and other service for state owned property in accordance with KRS 45.155.

b. Office of Investment and Debt Management

1984-85	$ 220,900
1985-86	$ 220,800

c. Office of Historic Properties

1984-85	$ 143,000
1985-86	$ 147,800

d. Department of Administration

1984-85	$ 5,167,100
1985-86	$ 5,289,600

e. Department of Facilities Management

1984-85	$ 5,894,300
1985-86	$ 6,725,700

f. Department of Information Systems

1984-85	$ 1,882,900
1985-86	$ 1,940,600

TOTAL - FINANCE AND ADMINISTRATION

1984-85 .... $ 14,802,600
1985-86 .... $ 16,295,200

G. HIGHER EDUCATION

44. COUNCIL ON HIGHER EDUCATION

1984-85 .... $ 4,569,100
1985-86 .... $ 4,662,000

45. HIGHER EDUCATION ASSISTANCE AUTHORITY

1984-85 .... $ 4,058,800
1985-86 .... $ 7,579,200

Included in the above appropriation is $1,704,700 in fiscal year 1984-85 and $3,183,300 in fiscal year 1985-86 for the State Student Incentive Grant Program. Also included is $2,354,100 in fiscal year 1984-85 and $4,395,900 in fiscal year 1985-86 for the Kentucky Tuition Grant Program.

46. KENTUCKY STATE UNIVERSITY

1984-85 .... $ 10,883,000 1985-86 .... $ 13,225,700

Included in the above appropriation is $308,700 in fiscal year 1984-85 and $1,706,700 in fiscal year 1985-86 for debt service. Also included is $1,449,700 in fiscal year 1984-85 and $2,016,800 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the Desegregation Plan are recurring only for the term of the Plan as approved by the Office of Civil Rights in June 1983.

47. EASTERN KENTUCKY UNIVERSITY

1984-85 .... $ 34,597,800
1985-86 .... $ 36,042,900

Included in the above appropriation is $2,433,700 in fiscal year 1984-85 and $2,433,100 in fiscal year 1985-86 for debt service. Also included is $157,000 in fiscal year 1984-85 and $164,900 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the Desegregation Plan are recurring only for the term of the Plan as approved by the Office of Civil Rights in June 1983.

48. MOREHEAD STATE UNIVERSITY

1984-85 .... $ 21,050,800
1985-86 .... $ 21,971,200

Included in the above appropriation is $1,464,500 in fiscal year 1984-85 and $1,468,100 in fiscal year 1985-86 for debt service. Also included is $47,000 in fiscal year 1984-85 and $49,400 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

49. MURRAY STATE UNIVERSITY

1984-85 .... $ 26,019,300
1985-86 .... $ 27,165,600

Included in the above appropriation is $1,620,200 in fiscal year 1984-85 and $1,617,600 in fiscal year 1985-86 for debt service. Also included is $75,000 in fiscal year 1984-85 and $78,800 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

50. NORTHERN KENTUCKY UNIVERSITY

1984-85 .... $ 20,683,400
1985-86 .... $ 21,619,500

Included in the above appropriation is $2,860,100 in fiscal year 1984-85 and $2,823,900 in fiscal year 1985-86 for debt service. Also included is $128,000 in fiscal year 1984-85 and $134,400 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

51. WESTERN KENTUCKY UNIVERSITY

1984-85 .... $ 32,904,000
1985-86 .... $ 34,375,100

Included in the above appropriation is $1,671,300 in fiscal year 1984-85 and $1,673,700 in fiscal year 1985-86 for debt service. Also included is $101,000 in fiscal year 1984-85 and $106,100 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

52. UNIVERSITY OF LOUISVILLE

1984-85	$ 94,695,800
1985-86	$ 99,312,500

Included in the above appropriation is $10,206,700 in fiscal year 1984-85 and $10,221,400 in fiscal year 1985-86 for debt service. Also included is $424,000 in fiscal year 1984-85 and $445,200 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in 1983. Also included in the above appropriation is not less than $225,700 in fiscal year 1984-85 and not less than $225,700 in fiscal year 1985-86 for the Population Research Unit at the Urban Studies Center.

53. UNIVERSITY OF KENTUCKY

1984-85	$177,039,600
1985-86	$186,675,000

Included in the above appropriation is $9,152,200 in fiscal year 1984-85 and $9,359,300 in fiscal year 1985-86 for debt service. Of the stated debt service amounts, $2,590,700 in fiscal year 1984-85 and $2,582,200 in fiscal year 1985-86 are for the Community College System. Also included is $566,000 in fiscal year 1984-85 and $594,300 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

Included in the above appropriation is an amount for the Community College System which shall not be less than $29,291,500 in fiscal year 1984-85 and $31,511,700 in fiscal year 1985-86. Included in the appropriation to the Community College system is $81,000 in fiscal year 1984-85 and $85,100 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

TOTAL - HIGHER EDUCATION

1984-85	$426,501,600
1985-86	$452,628,700

H. HUMAN RESOURCES

54. CABINET FOR HUMAN RESOURCES

a. Department for Social Insurance

1. Administration

1984-85	$ 35,921,400
1985-86	$ 36,499,300

In the event that any portion of this appropriation in either fiscal year is deemed to be in excess of the necessary expenses for administration of the department, such amount, with the approval of the Governor, may be used for Public Assistance Benefits to the needy in accordance with the statutes governing the functions and activities of the Department for Social Insurance. In no instance shall these excess funds be used, without the prior written approval of the Governor, to:

1. establish a new program,
2. expand the services of an existing program,
3. increase rates or payment levels in an existing program.

In instances where approval is given, notification shall be immediately forwarded to the Legislative Research Commission, along with the Governor's written approval and supporting documents from the Cabinet for Human Resources and the Finance and Administration Cabinet.

2. Benefits

1984-85	$207,504,700
1985-86	$217,411,400

To be used for the payment of benefits in accordance with the statutes governing the functions and activities of the Department for Social Insurance. No portion of this appropriation may be used for the costs of administration.

All medical assistance vendor statements for services rendered as a result of bona fide claims for medical care may be paid in the fiscal year in which such statements are received by the paying agency.

b. Department for Employment Services

1984-85	$ 259,700
1985-86	$ 269,200

In the event that in one or both fiscal years of the biennium, the General Fund appropriations to the

Department are not required as match for the Federal Work Incentive Program funds, such appropriations shall be transferred to the Department for Social Insurance to be utilized as additional funding for the AFDC Child Care Special Allowance Subprogram.

c. Department for Health Services

1984-85	$ 94,708,100
1985-86	$107,090,300

Included in the above appropriation is $4,618,800 in fiscal year 1984-85 and $4,618,800 in fiscal year 1985-86 for debt service.

d. Department for Social Services

1984-85	$ 41,849,800
1985-86	$ 41,901,400

The Division for Field Services direct services personnel are exempted from any personnel ceiling which may be imposed within the executive branch. It is the intent of this General Assembly that this Division be fully staffed for the duration of the biennium.

e. Executive Policy Support

1984-85	$ 11,157,300
1985-86	$ 10,971,000

It is the intent of this General Assembly to focus the Cabinet's resources, insofar as possible, on direct service provision, minimizing indirect administrative expenses. To this end, a limit of 15% on administrative cost is hereby established for all contracts except Medicaid Benefits, (including Program Administration Contracts) between the Cabinet and non-state government agencies and individuals. In the case of contractors who is turn utilize subcontracting with other service providers, the combined administrative limit is 20%. If administrative cost exceeds these limits, the additional expense shall be the responsibility of the contract or subcontract agency, not the Commonwealth.

In reference to Medicaid, reimbursement to providers shall be governed by the reimbursement policy established by the Cabinet and applicable Federal regulations except that every attempt shall be made to limit reimbursement of administrative expense to only those services minimally required to facilitate direct service provision to clients.

The Cabinet is authorized to promulgate administrative regulations to accomplish this legislative intent. Auditors for the Cabinet, and the State Auditor are hereby directed to complete audits of all Cabinet contracts, beginning with those effective July 1, 1984 and henceforth, and a statement of this intent as a criteria shall be noted in such audit reports.

Included in the above appropriation is $2,791,700 in fiscal year 1984-85 and $2,787,900 in fiscal year 1985-86 for debt service.

TOTAL - HUMAN RESOURCES

1984-85	$391,401,000
1985-86	$414,142,600

I. JUSTICE

55. JUSTICE CABINET

a. Department of Training

1984-85	$ 1,893,600
1985-86	$ 1,937,800

b. Department of State Police

1984-85	$ 53,813,000
1985-86	$ 55,806,800

Included in the above appropriation is $752,000 in fiscal year 1984-85 and in fiscal year 1985-86 for the Kentucky Early Warning System (KEWS) operation.

There is hereby appropriated to the Department of State Police funds which are required as a result of the Governor's call of the Kentucky State Police to extraordinary duty; provided, however, that an emergency situation shall have been declared to exist by the Governor.

c. Justice Administration

1984-85	$ 1,285,300
1985-86	$ 1,241,900

TOTAL - JUSTICE CABINET

1984-85	$ 56,991,900
1985-86	$ 58,986,500

J. LABOR

56. LABOR CABINET

a. General Administration and Support

1984-85 .... $ 38,000
1985-86 .... $ 39,900

b. Department of Workplace Standards

1984-85 .... $ 1,369,900
1985-86 .... $ 1,354,900

TOTAL - LABOR CABINET

1984-85 .... $ 1,407,900
1985-86 .... $ 1,394,800

K. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

57. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET

a. Department of Natural Resources

1984-85 .... $ 6,853,500
1985-86 .... $ 7,482,400

Not less than $60,000 of the appropriation for each fiscal year shall be set aside for emergency forest fire suppression. Any expenditure for emergency fire suppression in excess of this amount in either fiscal year is hereby appropriated; provided, however, that the Secretary of the Finance and Administration Cabinet shall certify as to the advisability of such expenditure and the Governor shall approve such expenditure by written order.

b. Department of Environmental Protection

1984-85 .... $ 7,605,200
1985-86 .... $ 8,726,300

c. Department of Surface Mining Reclamation and Enforcement

1984-85 .... $ 6,240,200
1985-86 .... $ 6,672,100

Included in the above appropriations is $1,000,000 in each fiscal year for the return of permit and acreage fees per KRS 350.139; any required expenditure for this purpose in excess of this amount in either fiscal year is hereby appropriated to the department.

d. General Administration and Support

1984-85 .... $ 2,617,900
1985-86 .... $ 2,746,400

TOTAL - NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET

1984-85 .... $ 23,316,800
1985-86 .... $ 25,626,900

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58. ENVIRONMENTAL QUALITY COMMISSION

1984-85 .... $ 76,400
1985-86 .... $ 80,200

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59. KENTUCKY NATURE PRESERVES COMMISSION

1984-85 .... $ 165,400
1985-86 .... $ 171,600

TOTAL - NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

1984-85 .... $ 23,558,600
1985-86 .... $ 25,878,700

L. PUBLIC PROTECTION AND REGULATION

60. OFFICE OF THE SECRETARY

1983-84	$ 21,800
1984-85	$ 321,800
1985-86	$ 319,300

61. DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

1983-84	$ 50,000
1984-85	$ 1,316,900
1985-86	$ 1,343,200

62. BOARD OF CLAIMS/CRIME VICTIMS COMPENSATION BOARD

1984-85	$ 757,500
1985-86	$ 785,600

63. BOARD OF TAX APPEALS

1983-84	$ 3,000
1984-85	$ 210,600
1985-86	$ 218,800

64. DEPARTMENT OF HOUSING, BUILDINGS AND CONSTRUCTION

1984-85	$ 3,247,800
1985-86	$ 2,365,900

65. DEPARTMENT OF INSURANCE

1984-85	$ 1,570,500
1985-86	$ 1,628,100

66. KENTUCKY STATE RACING COMMISSION

1984-85	$ 409,000
1985-86	$ 423,900

67. KENTUCKY HARNESS RACING COMMISSION

1984-85	$ 473,900
1985-86	$ 492,800

68. QUARTER HORSE AND APPALOOSA COMMISSION

at 1983-84	$ 59,600
1984-85	$ 122,500
1985-86	$ 59,500

69. DEPARTMENT OF MINES AND MINERALS

1984-85	$ 6,046,600
1985-86	$ 6,361,400

70. DEPARTMENT OF PUBLIC ADVOCACY

1984-85	$ 6,429,900
1985-86	$ 6,604,900

71. PUBLIC SERVICE COMMISSION

1984-85	$ 3,684,100
1985-86	$ 3,937,200

72. REGISTRY OF ELECTION FINANCE

1983-84	$ 18,300
1984-85	$ 273,100
1985-86	$ 229,900

TOTAL - PUBLIC PROTECTION AND REGULATION

1981-82	$ 152,700
1984-85	$ 24,864,200
1985-86	$ 24,770,500

M. REVENUE CABINET

73. REVENUE CABINET

a. Executive Policy and Support

1984-85	$ 494,400
1985-86	$ 523,300

b. Department of Professional and Support Services

1984-85	$ 4,199,000
1985-86	$ 4,404,900

c. Department of Processing and Enforcement

1983-84	$ 500,000
1984-85	$ 21,952,300
1985-86	$ 23,564,100

d. Department of Property Taxation

1984-85	$ 14,138,900
1985-86	$ 14,706,870

Included in the above appropriation is $11,226,800 in fiscal year 1984-85 and $11,632,200 in fiscal year 1985-86 for property valuation administrators. There is hereby appropriated to the Revenue Cabinet funds required for expenses in excess of these amounts for property valuation administrators. Property valuation administrators shall receive a maximum three percent (3%) salary increase each fiscal year.

TOTAL - REVENUE CABINET

1983-84	$ 500,000
1984-85	$ 40,784,600
1985-86	$ 43,199,000

N. TOURISM

74. OFFICE OF THE SECRETARY

1984-85	$ 579,600
1985-86	$ 607,600

75. DEPARTMENT OF TRAVEL DEVELOPMENT

1984-85	$ 3,123,400
1985-86	$ 2,956,800

76. DEPARTMENT OF PARKS

1984-85	$ 14,784,600
1985-86	$ 18,655,700

77. KENTUCKY HORSE PARK

1984-85	$ 1,941,800
1985-86	$ 1,851,700

Included is $1,411,000 and $1,406,000 for fiscal year 1985 and fiscal year 1986 respectively for the debt service requirement of the Project 29 Revenue Bonds.

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78. BREAKS INTERSTATE PARK

1984-85	$ 164,800
1985-86	$ 100,000

For matching funds appropriated by the Commonwealth of Virginia relating to construction, maintenance, and operations at the Breaks Interstate Park. In accordance with the Breaks Interstate Compact this appropriation is contingent upon an appropriation by the Commonwealth of Virginia adequate to match this amount on an equal basis; provided, however, that appropriations to date shall be considered cumulatively, and any deficit in appropriations by this state may be removed.

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79. STATE FAIR BOARD

1984-85	$ 5,505,700
1985-86	$ 5,546,000

Included in the above appropriation is at least $5,500,000 in fiscal year 1984-85 and $5,500,000 in fiscal year 1985-86 for debt service.

TOTAL - TOURISM

1984-85	$ 26,099,900
1985-86	$ 29,717,800

O. TRANSPORTATION

80. TRANSPORTATION CABINET

a. General Administration and Support

1984-85	$ 296,400
1985-86	$ 312,100

b. Air Transportation

1984-85	$ 1,420,000
1985-86	$ 1,468,700

Included in the above appropriation is $72,400 in fiscal year 1984-85 and $74,500 in fiscal year 1985-86 for debt service. Also, included within the above is $200,000 per fiscal year in General Funds budgeted to establish a public utility airport maintenance fund. Funds appropriated are to be matched on a 50% basis with funds provided by local airport boards for projects aimed at maintaining public utility airports in the state. Funds provided for state matching purposes shall be limited to $10,000 per airport and the Transportation Cabinet shall report to the Legislative Research Commission within thirty (30) days after the close of fiscal year 1984-85 and fiscal year 1985-86 on the projects accomplished with the funds appropriated.

c. Rail Transportation

1984-85	$ 76,000
1985-86	$ 79,300

d. Public Transportation

1984-85	$ 555,400
1985-86	$ 582,600

TOTAL - TRANSPORTATION

1984-85	$ 2,347,800
1985-86	$ 2,442,700

TOTAL - EXECUTIVE DEPARTMENT OF STATE GOVERNMENT

1983-84	$ 2,508,700
1984-85	$2,411,738,800
1985-86	$2,553,777,100

PART II

TRUST AND AGENCY FUNDS

There is appropriated to the various officers, cabinets, departments, boards, commissions, institutions, subdivisions, and other agencies of the State Government only as are listed herein for the fiscal year ending June 30, 1985, and for the fiscal year ending June 30, 1986, all of the fees (which include fees for board and room, athletics, and student activities) and rental, admittances, sales, bond proceeds, licenses collected by law, gifts, subventions, contributions, income from investments and other miscellaneous receipts produced or received by any of the following agencies of the State Government, except as otherwise specifically provided, for the use and benefit of each of the below-named agencies of the State Government for the purposes for which each fund is authorized. Receipts which are received by each of the respective agencies of the State Government listed herein shall be placed to the credit of a Trust and Revolving, or an Agency Fund out of which shall be established separate Trust and Revolving or Agency Fund accounts for the use and benefit of these agencies of the State Government for purposes for which each fund is authorized. All funds received shall be deposited in the State Treasury and credited to the proper account as provided by KRS Chapters 12, 42, 45, and 48.

In the event receipts received and credited to any Trust and Revolving or Agency Fund account during fiscal year 1984-85 or fiscal year 1985-86 and any balance forwarded to the credit of any such account from the previous year, exceed, by the sum of five percent (5%), the appropriation made by specific sum to said account for the fiscal year in which the excess occurs, said excess shall become available for expenditure for the purpose of the account during said year only with the authorization of the Executive Director of the Governor's Office for Policy and Management upon approval of the Secretary of the Finance and Administration Cabinet; provided, however, that institutions of higher education may receive and expend all trust and agency funds without limitation.

Except as herein otherwise provided, the appropriate agency may requisition for expenditure from the Trust and Revolving or Agency Fund account, through the Finance and Administration Cabinet, during the fiscal year ending June 30, 1985, and during the fiscal year ending June 30, 1986, all receipts placed to the credit of the Trust and Revolving or Agency Fund for such year, out of which has been established a Trust and Revolving or Agency Fund account for each separate agency during such fiscal year, in addition to any balance which said agency may have had forwarded from the preceding year on or before August 31, of the then current fiscal year, by the Finance and Administration Cabinet. On or before the beginning of each fiscal year, each agency, other than institutions of higher education, shall submit to the Finance and Administration Cabinet and the Legislative Research Commission schedules for each budget unit showing estimated receipts and estimated expenditures, a comparative statement of any revised estimated receipts and expenditure with amounts provided in the executive budget as adopted by the 1984 General Assembly, and statements which explain the occurrence of such variances.

In the event a budget unit not listed herein receives unanticipated monies, the Secretary of the Finance and Administration Cabinet, upon written request from the agency head with appropriate documentation of the amount, source, purpose, necessity and use of such monies, may authorize, upon recommendation of the Governor's Office for Policy and Management, the credit and expenditure of such funds for statutory purposes. The Secretary of the Finance and Administration Cabinet shall cause to be established a restricted account for the receipt and disbursement of such funds and shall establish the maximum sum which may be credited and expended from the authorized account. The Secretary of the Finance and Administration Cabinet, in consultation with the Interim Joint Committee on Appropriations and Revenue, shall provide appropriate notice pursuant to this event to the Legislative Research Commission.

A. GOVERNMENT OPERATIONS

1. SECRETARY OF STATE

All operating receipts from all activities of the office of the Secretary of State shall be deposited in the State Treasury to the credit of the General Fund.

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2. BOARD OF ELECTIONS

1984-85	$ 77,500
1985-86	$ 34,800

3. TREASURY

1984-85	$ 313,300
1985-86	$ 162,500

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4. DEPARTMENT OF LAW

1984-85	$ 1,487,000
1985-86	$ 1,527,900

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5. AUDITOR OF PUBLIC ACCOUNTS

1984-85	$ 759,500
1985-86	$ 490,700

The Auditor of Public Accounts shall quarterly notify the Finance and Administration Cabinet of the status of the collection of fees charged for county audit work conducted, and the Finance and Administration Cabinet shall withhold any monies due any county government which is delinquent in payment of fees to the Auditor of Public Accounts for the term of one hundred and twenty (120) days until the Auditor of Public Accounts has received full payment from the county. The Auditor of Public Accounts is hereby authorized to increase the audit fees for conducting County Audits if additional revenues are needed to continue the operation of the office.

6. DEPARTMENT OF MILITARY AFFAIRS

a. General Operations

1984-85	$ 578,600
1985-86	$ 625,500

b. Disaster and Emergency Services

1984-85	$ 63,800
1985-86	$ 115,700

7. KENTUCKY HORSE COUNCIL

1984-85	$ 25,900
1985-86	$ 29,600

8. DEPARTMENT OF PERSONNEL

a. General Operations

1984-85	$ 486,400
1985-86	$ 641,800

b. Workers' Compensation
Benefits and Reserve

9. PERSONNEL BOARD

1984-85	$ 45,500
1985-86	$ 24,500

10. DEPARTMENT FOR LOCAL GOVERNMENT

1984-85	$ 858,200
1985-86	$ 851,400

11. Kentucky Retirement Systems

1984-85	$ 1,378,200
1985-86	$ 1,416,400

12. CAPITAL PLAZA

1984-85	$ 1,686,700
1985-86	$ 1,670,500

The above funds include $1,366,500 in fiscal year 1984-85 and $1,341,200 in fiscal year 1985-86 for debt service payment of the Capital Plaza. Also included in the above appropriations is $329,500 in fiscal year 1984-85 and $351,500 in fiscal year 1985-86 for general operations.

13. COUNTY FEES

	1984-85	1985-86
Jefferson County	$9,396,600	$9,678,500
Kenton County	1,564,300	1,611,300

Campbell County	957,100	985,800
Fayette County	3,140,200	3,234,400
Daviess County	1,101,000	1,134,000
Pike County	1,089,500	1,122,200

County Fees for the following counties: Jefferson, Kenton, Fayette, Campbell, Daviess, and Pike are for paying the various officials of each county enumerated, seventy-five percent (75%) of the fees provided by law. This is to be paid, by the State, to these officials when their claims for fees have been presented to the Finance and Administration Cabinet in the form and manner prescribed by law and approved by the Secretary of the Finance and Administration Cabinet. Each Fiscal Court of said counties are to receive twenty-five percent (25%) of said fees as required by KRS 64.350.

14. OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS

	1984-85	1985-86
a. Board of Accountancy	$249,600	$270,700
b. Board of Architects	$ 77,000	$ 79,000
c. Board of Auctioneers	$ 99,400	$104,000
d. Board of Barbers	$108,100	$111,400
e. Board of Chiropractic Examiners	$ 42,500	$ 44,000
f. Board of Dental Examiners	$243,800	$259,800
g. Board of Embalmers and Funeral Directors	$ 86,000	$ 88,000
h. Board of Engineers and Land Surveyors	$289,200	$295,200
i. Board of Hairdressers and Cosmetologists	$485,900	$518,300
j. Board of Hearing Aid Dealers	$ 10,100	$ 10,300
k. Board of Landscape Architecture	$ 10,400	$ 11,600
l. Board of Medical Licensure	$489,200	$593,000
m. Board of Nurses	$861,000	$936,800
n. Nursing Home Administrators Licensure Board	$ 40,900	$ 44,500
o. Board of Ophthalmic Dispensers	$ 12,200	$ 13,000
p. Board of Optometric Examiners	$ 40,800	$ 40,800
q. Board of Pharmacy	$279,900	$291,600
r. Board of Physical Therapy	$ 50,700	$ 51,200
s. Board of Podiatry	$ 3,000	$ 3,000
t. Board of Proprietary Education	$ 53,500	$ 58,600
u. Board of Psychology	$ 22,500	$ 23,500
v. Real Estate Commission		
1. Examination and Licensing	$469,400	$483,800
2. Real Estate Education Research and Recovery	$462,300	$520,000
w. Board of Social Workers	$ 39,200	$ 39,400
x. Board of Speech Pathologists and Audiologists	$ 9,800	$ 10,300
y. Board of Veterinary Examiners	$ 66,900	$ 66,900

15. PUBLIC EMPLOYEES DEFERRED COMPENSATION SYSTEM
1984-85 .... $ 89,400
1985-86 .... $ 77,900

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16. KENTUCKY REINSURANCE ASSOCIATION
1984-85 .... $ 65,585,300
1985-86 .... $ 65,599,600

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17. GOVERNMENTAL SERVICES CENTER
1984-85 .... $ 810,900
1985-86 .... $ 833,800

B. COMMERCE

18. DEPARTMENT OF ECONOMIC DEVELOPMENT
1984-85 .... $ 400,900
1985-86 .... $ 536,000

Included in the above appropriation is $178,300 in fiscal year 1984-85 and $170,300 in fiscal year 1985-86 for enabling legislation enacted by the 1984 General Assembly for implementation of a Business Information Clearinghouse program.

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19. KENTUCKY DEVELOPMENT FINANCE AUTHORITY
1984-85 .... $ 14,791,100
1985-86 .... $ 9,737,200

The Authority shall lapse $100,000 during the first month of each fiscal year to the General Fund. These funds shall not represent any portion of the loan fund established by the $50 million bond authorization of the 1982 General Assembly.

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20. DEPARTMENT OF THE ARTS
1984-85 .... $ 186,400
1985-86 .... $ 191,400

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21. DEPARTMENT OF AGRICULTURE
1984-85 .... $ 1,477,100
1985-86 .... $ 1,522,100

The Milk Marketing Commission shall not incur any deficit in its operations and the Secretary of Finance and Administration is hereby directed to take any necessary actions to accomplish this purpose.

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22. TOBACCO RESEARCH BOARD
1984-85 .... $ 23,500
1985-86 .... $ 25,100

C. CORRECTIONS

23. CORRECTIONS CABINET
1984-85 .... $ 6,992,200
1985-86 .... $ 7,843,300

D. EDUCATION AND HUMANITIES

24. DEPARTMENT OF EDUCATION
a. General Administration
1984-85 .... $ 2,458,700
1985-86 .... $ 2,417,700
b. Education for Exceptional Children
1984-85 .... $ 425,100

1985-86	$ 402,600
c. Vocational Education	
1984-85	$ 17,847,900
1985-86	$ 19,409,200
d. Instruction	
1984-85	$ 72,300
1985-86	$ 68,300
e. Administrative Services and Budget Management	
1984-85	$ 255,000
1985-86	$ 255,000

25. KENTUCKY EDUCATIONAL TELEVISION	
1984-85	$ 300,000
1985-86	$ 300,000
26. HISTORICAL SOCIETY	
1984-85	$ 283,700
1985-86	$ 214,100
27. LIBRARY AND ARCHIVES	
1984-85	$ 416,900
1985-86	$ 482,500
28. DEPARTMENT FOR THE BLIND	
1984-85	$ 1,623,500
1985-86	$ 1,708,200
29. KENTUCKY SCHOOL BUILDING AUTHORITY	
1984-85	$ 179,000
30. HERITAGE COUNCIL	
1984-85	$ 500
1985-86	$ 500
31. TEACHERS' RETIREMENT SYSTEM	
1984-85	$ 1,394,400
1985-86	$ 1,469,400

E. ENERGY

32. KENTUCKY ENERGY CABINET	
1984-85	$ 498,900
1985-86	$ 446,100

F. FINANCE AND ADMINISTRATION

33. FINANCE AND ADMINISTRATION CABINET	
a. Office of the Secretary	
1984-85	$ 428,900
1985-86	$ -0-

All funds received under any program of anti-recession or counter cyclical assistance enacted by the United States Congress are hereby appropriated to the Finance and Administration Cabinet to be used for the maintenance of basic services in and among the various agencies, cabinet, and departments of state government. Any portion of these funds may be transferred to other major program areas or agencies of state government for the purpose of continuing basic services; provided, however, that such transfers shall be used to reduce General Fund appropriations and shall not in any way increase the expenditure level authorized by the General Assembly.

b.	State Office for Social Security	
	1984-85	$ 374,400
	1985-86	$ 385,100
c.	Office of Investment and Debt Management	
	1984-85	$ 205,800
	1985-86	$ 214,900
d.	Department of Administration	
	1984-85	$ 6,926,400
	1985-86	$ 7,024,200
e.	Department of Facilities Management	
	1984-85	$ 28,521,800
	1985-86	$ 31,273,300
f.	Department of Information Systems	
	1984-85	$ 20,063,700
	1985-86	$ 20,911,500

G. HIGHER EDUCATION

34.	HIGHER EDUCATION ASSISTANCE AUTHORITY	
	1984-85	$ 9,397,300
	1985-86	$ 7,129,100

Included in the above appropriation is $4,510,600 in 1984-85 and $1,458,500 in 1985-86 for the Student Grant Program, $2,994,600 in 1984-85 and $3,137,100 in 1985-86 for the Student Loan Program, $1,007,100 in 1984-85 and $1,058,500 in 1985-86 for the Work Study Program, and $885,000 in 1984-85 and $1,475,000 in 1985-86 for the Education Excellence Incentive Program.

35.	UNIVERSITY OF KENTUCKY	
	1984-85	$202,677,700
	1985-86	$211,312,900

36.	UNIVERSITY OF LOUISVILLE	
	1984-85	$ 67,699,900
	1985-86	$ 68,857,100

37.	EASTERN KENTUCKY UNIVERSITY	
	1984-85	$ 37,667,700
	1985-86	$ 38,267,000

38.	WESTERN KENTUCKY UNIVERSITY	
	1984-85	$ 24,370,400
	1985-86	$ 25,527,000

39.	MOREHEAD STATE UNIVERSITY	
	1984-85	$ 16,427,400
	1985-86	$ 17,190,900

40.	MURRAY STATE UNIVERSITY	
	1984-85	$ 18,469,900
	1985-86	$ 18,384,400

41.	KENTUCKY STATE UNIVERSITY	
	1984-85	$ 4,553,300

1985-86	$ 4,795,200

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42. NORTHERN KENTUCKY UNIVERSITY

1984-85	$ 14,535,900
1985-86	$ 15,357,400

H. HUMAN RESOURCES

43. CABINET FOR HUMAN RESOURCES

a. Department for Social Insurance

1. Benefits

1984-85	$ 3,596,400
1985-86	$ 6,185,600

b. Department for Employment Services

1984-85	$ 4,985,900
1985-86	$ 4,985,900

c. Department for Health Services

1984-85	$ 44,055,100
1985-86	$ 34,626,100

d. Department for Social Services

1984-85	$ 5,351,600
1985-86	$ 5,666,500

e. Executive Policy Support

1984-85	$ 4,338,400
1985-86	$ 4,338,400

I. JUSTICE

44. JUSTICE CABINET

a. Department of Training

1984-85	$ 8,731,700
1985-86	$ 9,165,600

Under the provisions of the Kentucky Law Enforcement Foundation Program Fund, an eligible local unit of government shall be entitled to receive a supplement to each qualified police officer's annual base salary from the Law Enforcement Foundation Program Fund, to be paid to each officer in addition to his regular salary as prescribed by KRS 15.460 and KRS 15.500. Included in the above appropriation is $8,568,000 in fiscal year 1984-85 and $8,996,400 in fiscal year 1985-86 receipts pursuant to KRS 136.340 for the purpose of the Kentucky Law Enforcement Foundation Program as enacted by the 1982 General Assembly. Also, included is $123,700 in fiscal year 1984-85 and $129,200 in fiscal year 1985-86 for the operation of the Kentucky Law Enforcement Council program and the administration of the KLEFPF funds.

b. Department of State Police

1984-85	$ 475,000
1985-86	$ 500,000

c. Justice Administration

1984-85	$ 2,700
1985-86	$ 1,400

J. LABOR

45. LABOR CABINET

a. General Administration and Support

1984-85	$ 1,655,500
1985-86	$ 1,808,300

b. Department of Workplace Standards

1984-85	$ 1,914,400
1985-86	$ 2,105,300

c. Department of Worker Claims

1984-85	$ 62,620,000
1985-86	$ 63,287,000

The above level of agency receipts is predicated on major changes in the assessment of the Worker's

Compensation Maintenance Fund as defined in KRS Chapter 342.

K. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

46. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET

a. Department for Natural Resources
1984-85 .... $ 3,084,300
1985-86 .... $ 5,070,600

The maximum expenditure from the water patrol fund as established by KRS 235.330 is to $1,375,000 in fiscal year 1984-85 and $1,450,000 in fiscal year 1985-86, including $175,000 in fiscal year 1984-85 and $150,000 in fiscal year 1985-86 for the operation of the lock and dams on the Kentucky River. Any receipts in excess of the above limits shall be transferred to the general fund.

b. Department for Environmental Protection
1984-85 .... $ 794,800
1985-86 .... $ 809,800

c. Department for Surface Mining Reclamation and Enforcement
1984-85 .... $ 70,000
1985-86 .... $ 75,400

d. General Administration and Support
1984-85 .... $ 964,700
1985-86 .... $ 1,120,900

47. KENTUCKY NATURE PRESERVES COMMISSION
1984-85 .... $ 41,000
1985-86 .... $ 41,000

L. PUBLIC PROTECTION AND REGULATION

48. DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL
1984-85 .... $ 3,500
1985-86 .... $ 3,500

49. DEPARTMENT OF BANKING AND SECURITIES
1984-85 .... $ 2,547,200
1985-86 .... $ 2,706,500

The Secretary of Finance is hereby directed to transfer the sum of $3,000,000 from the surplus in trust and agency accounts to the General Fund Surplus Account on July 1, 1984.

50. BOARD OF CLAIMS/CRIME VICTIMS' COMPENSATION
1984-85 .... $ 262,700
1985-86 .... $ 272,500

51. DEPARTMENT OF HOUSING, BUILDINGS, AND CONSTRUCTION
1984-85 .... $ 10,516,100
1985-86 .... $ 10,918,300

52. DEPARTMENT OF INSURANCE
1984-85 .... $ 1,700,000
1985-86 .... $ 1,694,600

53. KENTUCKY STATE RACING COMMISSION
1984-85 .... $ 3,283,600
1985-86 .... $ 3,277,400

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54. BACKSIDE IMPROVEMENT COMMISSION

1984-85 .... $ 597,700
1985-86 .... $ 597,700

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55. KENTUCKY HARNESS RACING COMMISSION

1984-85 .... $ 586,900
1985-86 .... $ 592,700

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56. QUARTER HORSE AND APPALOOSA COMMISSION

1984-85 .... $ 88,800
1985-86 .... $ 246,100

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57. DEPARTMENT OF MINES AND MINERALS

1984-85 .... $ 1,185,500
1985-86 .... $ 1,188,100

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58. DEPARTMENT OF PUBLIC ADVOCACY

1984-85 .... $ 80,000
1985-86 .... $ 85,000

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59. PUBLIC SERVICE COMMISSION

1984-85 .... $ 4,100
1985-86 .... $ 4,400

M. REVENUE

60. REVENUE CABINET

a. Processing and Enforcement

1984-85 .... $ 727,500
1985-86 .... $ 727,500

b. Property Taxation and Property Valuation

1984-85 .... $ 391,500
1985-86 .... $ 441,200

N. TOURISM

61. DEPARTMENT OF PARKS

1984-85 .... $ 31,725,100
1985-86 .... $ 29,634,000

Included in the above appropriation is $1,470,000 in fiscal year 1985 and $1,473,000 in fiscal year 1986 for the debt service on revenue bonds issued in 1962, 1965, and 1967.

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62. KENTUCKY HORSE PARK

1984-85 .... $ 2,993,200
1985-86 .... $ 3,104,000

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63. FISH AND WILDLIFE RESOURCES

1984-85 .... $ 13,083,100
1985-86 .... $ 13,574,100

Beginning July 1, 1984, the Commission shall lapse to the General Fund at the beginning of each fiscal quarter one-quarter of a total $1,127,700 in fiscal year 1984-85 and one-quarter of a total $1,150,200 in fiscal year 1985-86. These funds shall represent investment income and other sources of revenue other than hunting and fishing fees.

64. KENTUCKY STATE FAIR BOARD

1984-85	$ 12,800,200
1985-86	$ 13,483,300

O. TRANSPORTATION

65. DEPARTMENT OF TRANSPORTATION

a. Air Transportation

1984-85	$ 10,000
1985-86	$ 10,000

b. Highways

1984-85	$ 1,333,000
1985-86	$ 1,225,000

PART III
FEDERAL FUNDS

There is appropriated to the various officers, cabinets, departments, boards, commissions, institutions, subdivisions, and other agencies of the State Government only as are listed herein for the fiscal year ending June 30, 1985, and for the fiscal year ending June 30, 1986, Federal subventions, grants, contracts and other Federal funds received, income from investments and other miscellaneous Federal receipts received by any of the following agencies of the State Government, except as otherwise specifically provided, for the use and benefit of each of the below-named agencies of the State Government for the purposes for which each fund is authorized. Receipts which are received by each of the respective agencies of the State Government listed herein shall be placed to the credit of a Federal Fund out of which shall be established separate accounts for the use and benefit of these agencies of the State Government for purposes for which each fund is authorized. All funds received shall be deposited in the State Treasury and credited to the proper account as provided by KRS chapter 12, 42, 45, and 48.

In the event receipts received and credited to any Federal Fund account during fiscal year 1984-85 or fiscal year 1985-86, and any balance forwarded to the credit of any such account from the previous fiscal year, exceed, by the sum of five percent, the appropriation made by specific sum to said account for the fiscal year in which the excess occurs, said excess shall become available for expenditure for the purpose of the account during said year only with the authorization of the Executive Director of the Governor's Office for Policy and Management upon approval of the Secretary of the Finance and Administration Cabinet; provided, however, that institutions of higher education may receive and expend all Federal funds without limitation.

Except as herein otherwise provided, the appropriate agency may requisition for expenditure from the Federal Fund account, through the Finance and Administration Cabinet, during the fiscal year ending June 30, 1985, and during the fiscal year ending June 30, 1986, all receipts placed to the credit of the Federal Fund for such year, out of which has been established a Federal Fund account for each separate agency during such fiscal year, in addition to any balance which said agency may have had forwarded from the preceding year on or before August 31, of the then current fiscal year, by the Finance and Administration Cabinet. On or before the beginning of each fiscal year, each agency, other than institutions of higher education, shall submit to the Finance and Administration Cabinet and the Legislative Research Commission schedules for each budget unit showing estimated receipts and estimated expenditures for the ensuing fiscal year, a comparison of any revised estimates with the amounts provided in the Executive Budget as adopted by the 1984 General Assembly, and statements which explain the occurrence of such variances.

In the event a budget unit not listed herein receives unanticipated monies, the Secretary of the Finance and Administration Cabinet, upon written request from the agency head with appropriate documentation of the amount, source, purpose, necessity and use of such monies, may authorize, upon recommendation of the Governor's Office for Policy and Management the credit and expenditure of such funds for statutory purposes. The Secretary of the Finance and Administration Cabinet shall cause to be established a restricted account for the receipt and disbursement of such funds and shall establish the maximum sum which may be credited and expended from the authorized account. The Secretary of the Finance and Administration Cabinet, in consultation with the Interim Joint Appropriations and Revenue Committee, shall provide appropriate notice pursuant to this event to the Legislative Research Commission. No state agency which shall be entitled to receive federal funds which would represent one-hundred percent (100%) of the cost of a program in which the state participates shall decline to accept or receive such entitlement without notification to the Interim Joint Committee on Appropriations and Revenue of the Legislative Research Commission.

A. GOVERNMENT OPERATIONS

1.	DEPARTMENT OF LAW		
		1984-85	$ 1,498,400
		1985-86	$ 1,540,100

2.	DEPARTMENT OF MILITARY AFFAIRS		
a.	General Operations		
		1984-85	$ 1,033,200
		1985-86	$ 1,072,300
b.	Disaster and Emergency Services		
		1984-85	$ 1,334,700
		1985-86	$ 1,274,900

3.	DEPARTMENT FOR LOCAL GOVERNMENT		
		1984-85	$ 36,546,700
		1985-86	$ 35,416,000

B. COMMERCE

4.	DEPARTMENT OF ECONOMIC DEVELOPMENT		
		1984-85	$ 37,500
		1985-86	$ 18,700

5.	DEPARTMENT OF THE ARTS		
		1984-85	$ 437,600
		1985-86	$ 437,600

6.	DEPARTMENT OF AGRICULTURE		
		1984-85	$ 2,123,500
		1985-86	$ 2,234,500

C. CORRECTIONS

7.	CORRECTIONS CABINET		
		1984-85	$ 45,800
		1985-86	$ 39,400

D. EDUCATION AND HUMANITIES

8.	DEPARTMENT OF EDUCATION		
a.	General Administration		
		1984-85	$ 2,229,400
		1985-86	$ 2,247,400
b.	Education for Exceptional Children		
		1984-85	$ 19,486,100
		1985-86	$ 21,389,100
c.	Instruction		
		1984-85	$ 63,662,600
		1985-86	$ 63,386,100
d.	Local Services		
		1984-85	$ 71,229,100
		1985-86	$ 74,016,200
e.	Vocational Education		
		1984-85	$ 16,305,100
		1985-86	$ 15,626,500
f.	Vocational Rehabilitation		
		1984-85	$ 17,575,000
		1985-86	$ 18,383,100
g.	Administrative Services and		

	Budget Management	
	1984-85	$ 1,590,300
	1985-86	$ 1,335,700
9.	LIBRARY AND ARCHIVES	
	1984-85	$ 1,199,400
	1985-86	$ 1,175,100
10.	DEPARTMENT FOR THE BLIND	
	1984-85	$ 2,617,400
	1985-86	$ 2,701,500
11.	ADVISORY COUNCIL ON VOCATIONAL EDUCATION	
	1984-85	$ 111,600
	1985-86	$ 120,000
12.	HERITAGE COUNCIL	
	1984-85	$ 807,900
	1985-86	$ 555,200

E. ENERGY

13.	KENTUCKY ENERGY CABINET	
	1984-85	$ 519,800
	1985-86	$ 428,000

F. HIGHER EDUCATION

14.	HIGHER EDUCATION ASSISTANCE AUTHORITY	
	1984-85	$ 732,300
	1985-86	$ 732,300
15.	UNIVERSITY OF KENTUCKY	
	1984-85	$ 32,178,100
	1985-86	$ 32,178,100
16.	UNIVERSITY OF LOUISVILLE	
	1984-85	$ 9,605,700
	1985-86	$ 9,605,700
17.	EASTERN KENTUCKY UNIVERSITY	
	1984-85	$ 5,902,100
	1985-86	$ 5,902,100
18.	WESTERN KENTUCKY UNIVERSITY	
	1984-85	$ 4,427,100
	1985-86	$ 4,427,100
19.	MOREHEAD STATE UNIVERSITY	
	1984-85	$ 3,452,100
	1985-86	$ 3,452,100

20. MURRAY STATE UNIVERSITY

1984-85	$ 4,444,100
1985-86	$ 4,444,100

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21. KENTUCKY STATE UNIVERSITY

1984-85	$ 4,673,400
1985-86	$ 4,568,600

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22. NORTHERN KENTUCKY UNIVERSITY

1984-85	$ 1,757,500
1985-86	$ 1,757,500

G. HUMAN RESOURCES

23. CABINET FOR HUMAN RESOURCES

a. Department for Social Insurance

1. Administration

1984-85	$ 68,547,100
1985-86	$ 73,787,400

2. Benefits

1984-85	$460,717,100
1985-86	$492,525,700

The Secretary of the Cabinet is hereby directed to transfer at least 10% of federal receipts for the Home Energy Assistance Program Block Grant to the Aging Services Subprogram for Home Care for the Elderly in the Department for Social Services, in each year of the biennium.

b. Department for Employment Services

1. Administration - Unemployment Insurance

1984-85	$ 18,745,400
1985-86	$ 20,620,000

2. Benefits - Unemployment Insurance

1984-85	$339,900,000
1985-86	$373,890,000

3. Employment Services

1984-85	$ 65,500,000
1985-86	$ 65,418,800

c. Department for Health Services

1984-85$	45,255,600
1985-86	$ 45,072,500

d. Department for Social Services

1984-85	$ 69,080,900
1985-86	$ 68,200,000

In the event receipts from the Social Services Block Grant ($39,311,000 in fiscal year 1984-85 and $46,484,400 in fiscal year 1985-86) exceed the budgeted revenues as estimated above, such excess receipts shall be utilized within the Aging Subprogram of the Department for Social Services for Home Care services for the Elderly. The Department may use these excess receipts to reduce, on a dollar for dollar basis, the transfer of Federal Home Energy Assistance funds from the Department for Social Insurance; provided, however, that the Department for Social Insurance obligates such returned sums to increase funds available in the elderly component of the Home Energy Assistance Program.

e. Executive Policy Support

1984-85	$ 11,030,600
1985-86	$ 11,030,600

H. JUSTICE

24. JUSTICE CABINET

a. Justice Administration

1984-85	$ 860,700
1985-86	$ 29,900

b.	Department of State Police	
	1984-85	$ 769,200
	1985-86	$ 558,000

I. LABOR

25.	LABOR CABINET	
a.	General Administration and Support	
	1984-85	$ 344,100
	1985-86	$ 378,400
b.	Department of Workplace Standards	
	1984-85	1,937,300
	1985-86	378,400
c.	Kentucky Occupational Safety and Health Review Commission	
	1984-85	$ 260,900
	1985-86	$ 280,700

J. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

26.	NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET	
a.	Department of Natural Resources	
	1984-85	$ 3,099,000
	1985-86	$ 3,446,000
b.	Department of Environmental Protection	
	1984-85	$ 6,050,000
	1985-86	$ 5,963,300
c.	Department of Surface Mining Reclamation and Enforcement	
	1984-85	$ 11,676,900
	1985-86	$ 12,225,300

27.	ENVIRONMENTAL QUALITY COMMISSION	
	1984-85	$ 2,800

K. PUBLIC PROTECTION AND REGULATION

28.	DEPARTMENT OF MINES AND MINERALS	
	1984-85	$ 492,700
	1985-86	$ 488,500

29.	DEPARTMENT OF PUBLIC ADVOCACY	
	1984-85	$ 136,400
	1985-86	$ 136,400

30.	PUBLIC SERVICE COMMISSION	
	1984-85	$ 106,100
	1985-86	$ 110,500

L. TOURISM

31.	DEPARTMENT OF FISH AND WILDLIFE RESOURCES	
	1984-85	$ 3,900,000
	1985-86	$ 4,158,900

M. TRANSPORTATION

32. TRANSPORTATION CABINET

a.	Air Transportation	
	1984-85	$ 11,600
	1985-86	$ 11,600
b.	Rail Transportation	
	1984-85	$ 200,000
	1985-86	$ 200,000
c.	Public Transportation	
	1984-85	$ 2,454,300
	1985-86	$ 2,451,500
d.	Highways	
	1984-85	$266,719,000
	1985-86	$254,589,400

If federal receipts due to the Commonwealth are in excess of the above appropriations, such funds are hereby appropriated.

PART IV

ROAD FUND

KRS 48.010(13)(g) provides that the Road Fund shall consist of money derived from excise or license taxation relating to gasoline and other motor fuels, and monies derived from fees, excise or license taxation relating to registration, operation or use of vehicles for use on public highways.

The following monies are appropriated from the Road Fund:

A. TRANSPORTATION

1. TRANSPORTATION CABINET

a.	General Administration and Support	
	1984-85	$ 35,610,200
	1985-86	$ 37,513,600
b.	Highways	
	1984-85	$426,939,800
	1985-86	$437,787,600

1. Included within the above appropriation is $22,098,400 in fiscal year 1984-85 and $11,807,400 in fiscal year 1985-86 for resurfacing of the state highway system.

2. Included within the above appropriation is $10,000,000 in fiscal year 1984-85 and $10,000,000 in fiscal year 1985-86 for state construction projects. The Secretary of Transportation may use State Construction appropriations for emergencies which occur on county roads, e.g. bridge failures, severe snow and ice, slips and slides.

3. The General Assembly does hereby authorize the issuance of up to $300 million in Economic Development Road Bonds in the 1984-86 fiscal biennium for new construction projects specifically contained in the Transportation Cabinet's two year construction plan and four year pre-construction program. The authorization provided shall be reduced by the amount of Economic Development Road Bonds issued in the 1982-85 biennium pursuant to **HB 295**, the 1982-84 biennial budget bill. Included within the above appropriation is $17,792,500 in fiscal year 1984-85 and $35,585,000 in fiscal year 1985-86 for debt service on Economic Development Road Bonds.

4. Included within the above appropriation is $55,335,100 in fiscal year 1984-85 and $50,853,700 in fiscal year 1985-86 for toll road lease rental.

5. Included within the above appropriation is $46,911,700 in fiscal year 1984-85 and $46,906,900 in fiscal year 1985-86 for debt service on Resource Recovery Road projects. It is the intent of the General Assembly that the Secretary of the Transportation Cabinet shall use Road Fund resources to meet the lease rental payments to the Kentucky Turnpike Authority for Resource Recovery Road projects in the amount certified by the Secretary of the Transportation Cabinet, pursuant to KRS 143.090. However, in the event that Road Fund resources are not sufficient to meet lease rental payments, the additional amount required for meeting lease rental payments as certified by the Secretary of the Transportation Cabinet under KRS 143.090 shall be transferred from coal severance tax receipts to cover the obligation.

6. Included within the above appropriation is $29,445,000 in fiscal year 1984-85 and $29,484,000 in fiscal year 1985-86 for the County Road Aid program.

7. Included within the above appropriation is $41,902,500 in fiscal year 1984-85 and $41,958,000 in fiscal year 1985-86 for the Rural Secondary Road Program. In addition, pursuant to the duties and responsibilities of county judge/executives associated with the administration of the local county road program beginning January 1, 1978, the expense allowance for each county judge/executive shall be paid from the Road Fund. These expenses shall be paid from those appropriated funds for the rural and secondary road revenue sharing program as provided in KRS 177.360 and KRS Chapter 67.

8. Included within the above appropriation is $12,646,250 in fiscal year 1984-85 and $12,663,000 in

fiscal year 1985-86 for the Municipal Aid program.

9. In addition to the above, the Turnpike Authority shall increase rates on the Commonwealth's toll roads to three (3) cents per mile on July 1, 1984. The funds generated from this increase in rates shall be used entirely on the Commonwealth's toll roads and expended for no other activity in the Transportation Cabinet. There is hereby created a Toll Road Maintenance, Reconstruction, and Rehabilitation Fund in the Highways appropriation unit to receive and expend the funds generated from the increase in rates on the toll roads.

ROAD FUND

TOTAL - TRANSPORTATION CABINET

1984-85	$462,550,000
1985-86	$475,300,000

Total permanent full-time positions in the Transportation Cabinet shall not exceed 6,681 permanent full-time positions, each fiscal year of the biennium.

A. COMMERCE

1984-85 *1985-86*

1. Office of the Secretary
a. Economic Development Projects
Bond Fund (Fiscal Year 1983-84)

Included in the above bond authority are the following projects: American Greeting Card Company, $1,400,000; Jefferson County Vehicle Emission Program, $1,300,000; Capital Plaza Renovation and Relocation Project; $550,000; Ashland Hotel, $2,000,000; Paintsville Lake Boat Ramp and Improvements, $400,000; Freedom Hall Renovation, $12,600,000; Equine Research Center, $3,000,000; Lexington Council of the Arts, $250,000; Lexington Galleria-Coal Center, $15,000,000; Kentucky Horse Park-Covered Arena, $1,000,000.

Economic Development Bonds shall not be used for building projects of state agencies.

B. CORRECTIONS

1. Blackburn Correctional Complex-Electrical System Upgrade
Bond Fund (1983-84-$400,000)
2. Kentucky State Penitentiary - Sewage and Water Plant Upgrade
Bond Fund (1983-84-$200,000)
3. Kentucky State Reformatory-Freezer Facility
Bond Fund (1983-84-$225,000)
4. Western Kentucky Farm Center-100-Bed Dorm Addition
Bond Fund (1983-84-$550,000)
5. Kentucky State Reformatory-Steam Line Repair
Bond Fund (1983-84-$500,000)
6. Kentucky State Reformatory-Electrical Distribution System
Bond Fund (1983-84-$200,000)
7. Kentucky State Reformatory-Waste Incinerator and Heat Recovery Boiler
Bond Fund (1983-84-$350,000)
8. Northpoint Training Center-Electrical Distribution System Replacement
Bond Fund 903,000
9. Northpoint Training Center-

Steam Line Replacement		
Bond Fund	277,000	
10. Kentucky State Reformatory-Renovation or construction of 2 Dormitories		
Bond Fund	100,000	3,000,000
11. Kentucky State Penitentiary-Conversion of Cellhouses 1 and 2		
Bond Fund	700,000	1,460,000
12. Northpoint Training Center-Academic/Vocational Education Building		
Bond Fund		500,000
13. Security Bus		
Investment Income	60,000	
14. Kentucky Correctional Institution for Women-Facility Upgrade		
Bond Fund		5,375,000

Debt Service is not provided for Project 14, various projects at the Kentucky Correctional Institution for Women, as the matter is being litigated before the Federal Court and the security level of housing required is a point of debate. It is the General Assembly's intention, as reflected in this Capital Construction Budget, to authorize bonds for facilities' construction or renovation as required by the Court in settlement of said litigation; resulting debt service and any operational expenses shall be allotted from the General Fund Surplus account (KRS 48.700) and such funds are hereby appropriated.

C. EDUCATION AND THE HUMANITIES

For the major equipment purchase displayed in this section as a General Fund supported project, it is anticipated that these funds shall be transferred from the operating fund at such time as funds are available and needed. The total project cost shown does not reflect an addition to the operating fund appropriation.

1. Eastern Kentucky Rehabilitation Center-External Repairs		
Investment Income	436,600	
Federal Fund	*313,400*	
TOTAL	750,000	
2. Mayo State Vocational/Technical School-Floor and Structural Repairs		
Investment Income	280,000	
3. Kentucky School for the Blind-Campus Lighting		
Investment Income		125,000
4. NCS Sentry 80 Computer System		
General Fund	170,200	

D. ENERGY

For the capital construction project displayed in this section as a General Fund supported project, it is anticipated that these funds shall be transferred from the operating fund at such time as funds are available and needed. The total project cost shown does not reflect an addition to the operating fund appropriation.

1. Laboratory Ventilation System		
General Fund	350,000	

E. FINANCE AND ADMINISTRATION

1. Facilities Management

a. Emergency, Repair, Maintenance and Replacement Fund		
Investment Income	3,000,000	3,000,000
Revenue Sharing (1983-84-$781,000)		
b. Capital Construction and Equipment Purchase Contingency Fund		
Investment Income	500,000	500,000
c. Miscellaneous Projects		
Investment Income	250,000	250,000
d. Fire Sprinklers for New State Office Building		
Agency Fund	700,000	
e. Fire Sprinklers for Capital Plaza Tower		
Agency Fund	800,000	
f. Central Control System Expansion		
Revenue Sharing		
General Fund		

2. Department of Administration

	1984-85	1985-86
- Duplicator		
- Agency Fund	30,000	30,000
- Duplicator		
- Agency Fund	30,000	30,000
- Duplicator		
- Agency Fund	20,400	20,400
- Duplicator		
- Agency Fund	20,400	20,400

3. Information Systems

For the major equipment purchases displayed in this section as agency fund supported projects, it is anticipated that the funds shall be transferred from the operating fund at such time as funds are available and needed. The total project costs shown do not reflect additions to the operating fund appropriations. This debt program is consistent with the definition of Building Projects in KRS 56.440(1)(4).

- Computer Equipment-Debt Service Payments		
Investment Income	550,000	650,000
- Attached Processor		
Bond Fund (1983-84-$400,000)		
- AP Communications Unit		
Bond Fund (1983-84-$115,000)		
- Power and Coolant Distribution Unit		
Bond Fund(1983-84-$70,000)		
- AP System Console		
Bond Fund (1983-84-$60,000)		
- Additional Memory		
Bond Fund (1983-84-$46,700)		
- Additional Memory		
Bond Fund (1983-84-$300,000)		
- Disk Controller		
Bond Fund (1983-84-$49,700)		
- Disk Controller		
Bond Fund (1983-84-$63,600)		
- Disk Controller		
Bond Fund (1983-84-$75,000)		

- Disk Controller
Bond Fund (1983-84-$67,700)
- Disk Controller
Bond Fund (1983-84-$46,000)
- Disk Controller
Bond Fund (1983-84-$78,600)
- Disk Controller
Bond Fund (1983-84-$79,700)
- Disk Controller
Bond Fund (1983-84-$60,500)
- Disk Controller
Bond Fund (1983-84-$100,000)
- Disk Drive
Bond Fund (1983-84-$50,000)
- Disk Drive
Bond Fund (1983-84-$50,000)
- Disk Drive
Bond Fund (1983-84-$50,000)
- Disk Drive
Bond Fund (1983-84-$50,000)
- Disk Drive
Bond Fund (1983-84-$82,800)
- Disk Drive
Bond Fund (1983-84-$84,200)
- Disk Drive
Bond Fund (1983-84-$59,300)
- Disk Drive
Bond Fund (1983-84-$72,000)
- Disk Drive
Bond Fund (1983-84-$72,000)
- Disk Drive
Bond Fund (1983-84-$54,600)
- Disk Drive
Bond Fund (1983-84-$50,000)
- Disk Drive
Bond Fund (1983-84-$52,700)
- Disk Drive
Bond Fund (1983-84-$82,700)
- Disk Drive
Bond Fund (1983-84-$57,600)
- Disk Drive
Bond Fund (1983-84-$82,300)
- Disk Drive
Bond Fund (1983-84-$65,000)
- Disk Drive
Bond Fund (1983-84-$65,000)
- Disk Drive
Bond Fund (1983-84-$65,000)
- Disk Drive
Bond Fund (1983-84-$116,000)
- Processor-Mainframe
Bond Fund (1983-84-$2,770,600)
- Disk Controller
Bond Fund (1983-84-$100,000)
- Disk Drive
Bond Fund (1983-84-$116,000)
- Disk Drive
Bond Fund (1983-84-$84,200)
- Disk Drive
Bond Fund (1983-84-$84,200)
- Disk Controller
Bond Fund (1983-84-$100,000)

- Disk Drive		
Bond Fund (1983-84-$116,000)		
- Disk Drive		
Bond Fund (1983-84-$84,200)		
- Disk Drive		
Bond Fund (1983-84-$116,000)		
- Disk Controller		
Bond Fund	100,000	-0-
- Disk Controller		
Bond Fund	100,000	-0-
- Disk Controller		
Bond Fund	100,000	-0-
- Disk Controller		
Bond Fund	100,000	-0-
- Disk Controller		
Bond Fund	-0-	100,000
- Disk Drive		
Bond Fund	100,000	-0-
- Disk Drive		
Bond Fund	100,000	-0-
- Disk Drive		
Bond Fund	100,000	-0-
- Disk Drive		
Bond Fund	100,000	-0-
- Disk Drive		
Bond Fund	100,000	-0-
- Disk Drive		
Bond Fund	100,000	-0-
- Disk Drive		
Bond Fund	100,000	-0-
- Disk Drive		
Bond Fund	100,000	-0-
- Disk Drive		
Bond Fund	-0-	100,000
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-

- Disk Drive		
Bond Fund	-0-	80,000
- Disk Drive		
Bond Fund	-0-	80,000
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Controller Upgrade		
Bond Fund	-0-	55,000
- Disk Controller Upgrade		
Bond Fund	-0-	55,000
- Disk Drive Upgrade		
Bond Fund	-0-	50,000
- Disk Drive Upgrade		
Bond Fund	-0-	50,000
- Disk Drive Upgrade		
Bond Fund	-0-	50,000
- Disk Drive Upgrade		
Bond Fund	-0-	50,000
- Disk Drive Upgrade		
Bond Fund	-0-	50,000
- Disk Drive Upgrade		
Bond Fund	-0-	50,000
- Disk Drive Upgrade		
Bond Fund	-0-	50,000
- Disk Drive Upgrade		
Bond Fund	-0-	50,000
- High Speed Printer		
Bond Fund (1983-84-$420,000)		
- Memory Upgrade		
Bond Fund	190,000	-0-
- Paging System Upgrade		
Bond Fund	110,000	-0-
- Additional Paging Subsystem		
Bond Fund	200,000	-0-
- Additional Paging Subsystem		
Bond Fund	200,000	-0-
- Power Convertor Module		
Bond Fund	179,000	-0-
- Cache Disk Controller		
Bond Fund	255,000	-0-
- Cache Disk Controller		
Bond Fund	255,000	-0-
- Cache Disk Controller		
Bond Fund	255,000	-0-
- Cache Disk Controller		
Bond Fund	-0-	255,000

- Hybrid Distributed System-Processor Bond Fund	630,000	-0-
- Hybrid Distributed System-Processor Bond Fund	630,000	-0-
- Hybrid Distributed System-Processor Bond Fund	-0-	633,000
- Hybrid Distributed System-Processor Bond Fund	-0-	633,000
- Hybrid Distributed System-Disk Controller Bond Fund	100,000	-0-
- Hybrid Distributed System-Disk Controller Bond Fund	100,000	-0-
- Hybrid Distributed System-Disk Drive Bond Fund	80,000	-0-
- Hybrid Distributed System-Disk Drive Bond Fund	80,000	-0-
- Hybrid Distributed System-Disk Drive Bond Fund	100,000	-0-
- Hybrid Distributed System-Communications Controller Bond Fund	109,000	-0-
- 3800 Printing Subsystem Upgrade Bond Fund	159,000	-0-
- Optical Disk Controller Bond Fund	75,000	-0-
- Optical Disk Drive Bond Fund	140,000	-0-
- Optical Disk Drive Bond Fund	140,000	-0-
- Optical Disk Drive Bond Fund	140,000	-0-
- Optical Disk Drive Bond Fund	140,000	-0-
- Optical Disk Drive Bond Fund	140,000	-0-
- Optical Disk Drive Bond Fund	140,000	-0-
- Tape Drive Controller Bond Fund	-0-	60,000
- Tape Drive Controller Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000

- Tape Drive Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000
- Telecommunications Controller Subsystem Bond Fund	291,000	-0-
- Telecommunications Controller Subsystem Bond Fund	291,000	-0-
- Upgrade Computer Processor Complex Bond Fund	4,087,637	376,363
- Optical Scanner Bond Fund	90,000	-0-
- Optical Scanner Bond Fund	-0-	90,000
- Shared Logic Processor Bond Fund	55,000	-0-
- Shared Logic Processor Bond Fund	55,000	-0-
- Shared Logic Processor Bond Fund	55,000	-0-
- Shared Logic Processor Bond Fund	55,000	-0-
- Shared Logic Processor Bond Fund	55,000	-0-
- Shared Logic Processor Bond Fund	55,000	-0-
- Shared Logic Processor Bond Fund	55,000	-0-
- Shared Logic Processor Bond Fund	55,000	-0-
- Shared Logic		

Processor		
Bond Fund	55,000	-0-
- Shared Logic Processor		
Bond Fund	55,000	-0-
- Distributed System-Disk Drive		
Bond Fund	100,000	-0-
- Distributed System-Disk Drive		
Bond Fund	80,000	-0-
- Distributed System-Disk Drive		
Bond Fund	80,000	-0-
- Distributed System-Communications Controller		
Bond Fund	109,000	-0-
- Distributed System-Disk Controller		
Bond Fund		100,000
- Distributed System-Disk Drive		
Bond Fund		100,000
- Distributed System-Disk Drive		
Bond Fund		80,000
- Distributed System-Disk Drive		
Bond Fund		80,000
- Distributed System-Disk Controller		
Bond Fund		100,000
- Distributed System-Disk Drive		
Bond Fund		100,000
- Distributed System-Disk Drive		
Bond Fund		80,000
- Distributed System-Disk Drive		
Bond Fund		80,000
- Distributed System-Communications Controller		
Bond Fund		109,000
- Distributed System-Communications Controller		
Bond Fund		109,000
- Office Automation Telecommunications Processor		
Bond Fund	55,000	-0-

F. HIGHER EDUCATION

For the major equipment purchases and capital construction projects displayed in this section as agency fund and Federal Fund supported projects, it is anticipated that the funds shall be transferred from the operating fund of each university at such time as funds are available and needed. The total project costs shown do not reflect additions to the operating fund appropriations.

1. Council on Higher Education

a. Major Maintenance Fund Investment Income	1,500,000	1,000,000
2. Eastern Kentucky University		
a. Minor Projects Agency Fund	934,000	953,000
b. Microscopic System Agency Fund	85,000	
c. Geophysical System Agency Fund	65,000	
d. Gas Chromatograph/ Mass Spectrometer Agency Fund	85,000	
e. Thermal Analyzer Agency Fund		65,000
f. Computer Numerical Control Tuning Center Agency Fund	86,000	85,000
g. Energy Management System Agency Fund	500,000	
h. 2 Buses Agency Fund	175,000	175,000
i. Office Systems and Word Processing Agency Fund		250,000
j. Technovate Pneumatic Unit Agency Fund		63,000
k. Academic Computer Expansion Agency Fund	461,000	300,000
l. Library System Agency Fund		500,000
3. Kentucky State University		
a. Listening Laboratory Agency Fund	80,000	
b. Atwood Hall Agency Fund	4,500,000	
c. Mini-computer System Agency Fund	250,000	250,000

The following projects are a part of the Higher Education Desegregation Plan to enhance the physical facilities of Kentucky State University. Bond funds in the amount of $10,850,000 are hereby authorized for projects selected from this approved list. The additional projects enumerated are hereby authorized to be transferred from agency funds at such time as funds are available and needed. Projects identified here from the desegregation plan may be financed from either bond funds or agency funds upon determination by Kentucky State University, and the approval of the Council on Higher Education and the Secretary of the Finance and Administration Cabinet, the provisions of KRS 45.750-45.800. Projects funded from this bond issue shall be submitted to the Capital Construction and Equipment Purchase Oversight Committee for review under the provisions of KRS 45.750-45.800.

d. Hume Hall Renovation Bond Fund (1983-84-$1,800,000)	
e. Minor Renovations Bond Fund (1983-84-$200,000)	
f. Combs Hall Renovation	1,000,000
g. Completion of Utilities Tunnel	4,500,000
h. Carver Hall Renovation	2,000,000
i. Bell Gymnasium Renovation	800,000

j. Roads, Walkways, and Landscaping	750,000	
k. Hathaway Hall Renovation-Interior and Exterior Painting	80,000	
l. Minor Renovations - Academic Facilities	108,000	
m. Young Hall Renovations		2,605,100
n. Bradford Hall Renovation		230,000
o. Blazer Library and Annex Renovation	700,000	
p. Roads and Walkways - Hathaway Hall to Bell Gymnasium	125,000	
q. Conversion of Old Heating Plant to Welding Shop	225,000	
r. Health Center HVAC Upgrade	75,000	
s. Minor Renovations		215,000
4. Morehead State University		
a. Industrial Robotics Agency Fund	75,000	
b. Environmental Control System Agency Fund	75,000	
c. Studio TV Camera Agency Fund	55,000	
d. Video Tape Recorder Agency Fund		66,000
e. Dishwasher Agency Fund	65,000	
f. Prime 950 System Agency Fund (1983-84-$521,900)		
g. Computer Lease/Purchase Agency Fund	85,000	85,000
h. CAD System Agency Fund		60,000
i. Mays Hall Men's Dormitory Agency Fund		1,366,000
j. Fields Hall Women's Dormitory Agency Fund	1,884,000	593,000
5. Murray State University		
a. Central Pedestrian Walk-Phase II Agency Fund (1983-84-$264,000)		
b. Boy Scout Museum Renovations Agency Fund	300,000	
c. IBM 4341 Upgrade Agency Fund	190,000	
d. Renovation of Space-Technology Programs Agency Fund	2,055,000	1,000,000
6. Northern Kentucky University		
a. Parking Structure		

Bond Fund	2,900,000	
b. Master Plan Update		
Agency Fund	92,000	
c. University College Renovation		
Agency Fund	375,000	
d. Central Monitoring System Expansion		
Agency Fund	225,000	
e. Information Word Processing		
Agency Fund	350,000	
f. Heidelberg Offset Press		
Agency Fund	72,000	
g. Compugraphic Typesetting		
Agency Fund	60,000	
h. Telecommunications Upgrade		
Agency Fund	550,000	
i. Corten Steel Roof Repairs - Library, Landrum Hall, Fine Arts Building, University Center, and Science Building		
Agency Fund	188,000	
j. Compliance with Elevator Codes - Nunn Hall Science Building, and Library		
Agency Fund	70,000	
k. University Center Roof Replacement		
Agency Fund		168,000
l. Campus Roadway Development		
Agency Fund	294,300	
m. Parking Lot/Roadway Lighting		
Agency Fund		315,000
n. Recreation Facility Renovation		
Agency Fund		406,000
o. Bus		
Agency Fund	130,000	
p. Xerox 9500 VR		
Agency Fund	125,000	
q. Carpet Replacement - Science Building		
Agency Fund		76,000
r. Maintenance Building - Roof Repair		
Agency Fund		20,000
7. University of Kentucky		
- Hospital Expansion - Phase I		
Agency Fund	1,000,000	1,275,000
- Aquatics Center		
Agency Fund	5,000,000	
- Dog Runs - Spindletop Farm Conditioning Facility		
Agency Fund	200,000	

- Animal Care Facility		
Agency Fund		2,240,000
- Self-Care Facility		
Bond Fund		4,000,000
Agency Fund		*3,692,000*
TOTAL		7,692,000
- Road and Site Improvements		
Agency Fund	500,000	1,840,000
- Waterproof Stadium		
Agency Fund	1,200,000	
- Medical Center HVAC Upgrading		
Agency Fund		350,000
- Clinic Support Unit I Renovation		
Agency Fund	250,000	
- Parking Structure #3 Expansion		
Agency Fund		
- Renovation of Old Pharmacy Building		
Agency Fund		925,000
- Medical Sciences Research Labs		
Agency Fund		262,000
- Jefferson Community College Property Acquisition		
Agency Fund (1983-84 - $950,000)		
- Elizabethtown Community College Parking Lot and Lighting		
Agency Fund	290,000	
- Ashland Community College Parking Lot and Lighting		
Agency Fund	275,000	
- Paducah Science Lab Renovation		
Agency Fund	250,000	
- Renovation of Hood Exhaust System - Research Building #3		
Agency Fund	500,000	
- Clinical Lab Mass Spectrometer		
Agency Fund	110,000	
- Hospital Administration Computer		
Agency Fund	1,200,000	
- Television Tape Recorders		
Agency Fund	187,000	
- Word Processing System		
Agency Fund	110,000	
- Chancellor Minicomputer		
Agency Fund	195,000	
- Dentistry Mini-		

computer		
Agency Fund	150,000	
- Diagnostic Radiology Fluroscope		
Agency Fund	90,000	
- Agriculture Controlled Environment		
Agency Fund	50,000	
- Diagnostic Radiology Tomography Generator/Transformer		
Agency Fund	69,000	
- Diagnostic Radiology Fluroscopy C-Arm Unit		
Agency Fund	80,000	
- Clinical Lab Coulter S Plus		
Agency Fund	80,000	
- Bechman Edman Sequencer		
Agency Fund	86,000	
- Computerized ECG Equipment		
Agency Fund	250,000	
- Medical Records Mini-computer		
Agency Fund	200,000	
- Ag HP Model 64 Computer		
Agency Fund		225,000
- Library Communications System		
Agency Fund		100,000
- Geology Logitech Automatic Thin Section Cutting Machine		
Agency Fund	50,000	
- Instructional Resources Remote Television		
Agency Fund		125,000
- Diagnostic Radiology Chest Digital Substraction Angiography		
Agency Fund	400,000	
- Radiation Medicine Unit		
Agency Fund	550,000	
- Nuclear Medicine Camera Replacement		
Agency Fund	150,000	
- Radiation Medicine Superficial Unit		
Agency Fund	80,000	
- Nuclear Magnetic Resonance Equipment		
Agency Fund	600,000	
- Coal Front Loader		
Agency Fund	100,000	
- Documail Sorting System		
Agency Fund	120,000	

- Controlled Environment Room Equipment		
Agency Fund	50,000	50,000
- Diagnostic Radiology Urographic Unit Replacement		
Agency Fund	150,000	
- Plasma Emission Spectrograph		
Agency Fund	75,000	
- Thermovision System		
Agency Fund		60,000
- Liquid Chromatograph		
Federal Fund		50,000
Agency Fund		*100,000*
TOTAL		150,000
- Fine Arts Sound System		
Agency Fund	75,000	
- High Speed Duplicator		
Agency Fund	57,300	
- Gradient High Performance Liquid Chromatograph		
Agency Fund	51,000	
- Perfecting Print Press		
Agency Fund	60,000	
- THRI Scanning Electron Microscope		
Agency Fund		
- High Pressure Liquid Chromatography		
Federal Fund	26,500	
Agency Fund	*26,500*	
TOTAL	53,000	
- Backhoe		
Agency Fund	65,000	
- Metallurgy Microstructure Image Analysis		
Agency Fund		50,000
- Pediatric Echocardiograph		
Agency Fund	85,000	
- THRI Image Analysis System		
Agency Fund	140,000	
- Stores Inventory System		
Agency Fund	66,000	
- Auxiliary Services Access Identification System		
Agency Fund	71,000	
- Student Records Mini-computer		
Agency Fund	200,000	
- Computer Science Graphics Laboratory		
Agency Fund	80,000	
- DEC PDP 11/34		

Computer		
Agency Fund		
- Pharmacy Mini-computer		
Agency Fund	165,000	
- Patient Care Charge System		
Agency Fund	80,000	
- Energy Management System		
Agency Fund	375,000	735,000
- Order Entry System		
Agency Fund		500,000
- Clinical Analyzer		
Agency Fund		140,000
- Astra 4 Clinical Analyzer		
Agency Fund		60,000
- Clinical Lab Bactec 5 Unit		
Agency Fund		59,000
- Physics Vacuum Evaporator		
Agency Fund		51,000
- Digital Subtraction Agiology		
Agency Fund		740,000
- Medical Liquid Scintillation Counter		
Federal Fund		26,000
Agency Fund		*26,000*
TOTAL		52,000
- Laser Doppler Anaometer		
Agency Fund		160,000
- OBGYN Image Analysis System		
Agency Fund		165,000
- Chemistry FAB Ion Source		
Agency Fund		50,000
- 20-Ton Dump Truck		
Agency Fund		70,000
- Transmission Electron Microscope		
Agency Fund		75,000
- Biplane/Angiograph Replacement		
Agency Fund		580,000
- Medical Center Diet Conveyor Replacement		
Agency Fund		475,000
- Hypothermia Unit		
Agency Fund		250,000
- DNA Synthesizer		
Federal Fund		30,000
Agency Fund		*30,000*
TOTAL		60,000
Road Rater		
Agency Fund		60,000
- Acoustic Emission		

Monitor		
Agency Fund		50,000
- Prime CPU Upgrade		
Agency Fund (1983-84-$425,000)	425,000	
- Central System Upgrade		
Agency Fund		595,000
- Data Communications Network		
Agency Fund	300,000	300,000
- Community College Mini-computer		
Agency Fund	375,000	275,000
- CAD/CAM System		
Agency Fund	530,000	
- Library Auto Circulation		
Agency Fund		
- Engineering Research Computer		
Agency Fund	200,000	
- Disk Storage		
Agency Fund		120,000
- Agriculture Mini-Computer		
Agency Fund	225,000	
- Fire Safety Project-Funkhouser		
Agency Funds	190,000	
- Fire Safety Project-Medical Center Medical Science Wing		
Agency Fund	680,000	
- Fire Safety Project-Patterson Office Tower		
Agency Fund		1,775,000
- Central Heating Plant - Replace Metal Smoke Stacks		
Agency Fund	200,000	
- Medical Sciences Building - Replacement of 4 Elevators		
Agency Fund	500,000	
- Medical Sciences/Dental Wing Replacement of Emergency Generator and Related Equipment		
Agency Fund		300,000
- Renovate Fume Hood System (Phase II)		
Agency Fund	300,000	
- Medical Center Sinage		
Agency Fund	250,000	
- Mining and Minerals		

Resources Building		
Bond Fund		
- Parking Structure #3 (Parking/ North Hospital)		
Bond Fund		
- McVey Hall Renovation		
Agency Fund		
- Journalism Building Renovation		
Agency Fund		
- Funkhouser Phase II Renovation		
Agency Fund		
8. University of Louisville		
a. Information Center		
Agency Fund	300,000	
b. IBM 4341 Additional Memory		
Agency Fund	100,000	170,000
c. Video Broadcast Instruction System		
Agency Fund	50,000	
d. Video Tape Recorder Replacement		
Agency Fund	110,000	
e. Telecommunications System		
Agency Fund	2,300,000	
f. Microcomputer Language System		
Agency Fund		250,000
g. TV Camera Replacements (4)		
Agency Fund		280,000
h. Academic Computer		
Agency Fund	1,560,000	
i. Speed School Graphics/ Mini-computer		
Agency Fund		150,000
j. Library System		
Agency Fund	410,000	
k. Graphics System		
Agency Fund		50,000
l. Speed School Computer		
Agency Fund		350,000
m. Disk Storage		
Agency Fund		120,000
n. Programming Language System		250,000
o. DEC P11/23 Support Hardware		
Agency Fund		80,000
p. Campus North Entrance Improvements		
Agency Fund	500,000	
q. Myers Hall		
Agency Fund	400,000	
r. Systems Building		
Agency Fund	430,000	
s. Schneidier Hall		
Agency Fund	500,000	
t. K, C, and G Buildings (Old General Hospital)		

Agency Fund	200,000	
u. Natural Science Building Renovation		
Bond Fund	320,000	
u. Speed School Renovation		
Agency Fund	500,000	
v. Stoddard - Johnson Building		
Agency Fund	350,000	
9. Western Kentucky University		
a. Garbage Truck		
Agency Fund	70,000	
b. Spectrometer		
Agency Fund	102,000	
c. TV Satellite Uplink		
Agency Fund		140,000
d. GC/Mass Spectrometer		
Agency Fund		100,000
e. Electron Microscope		
Agency Fund		100,000
f. Deferred Maintenance Projects		
Agency Fund	278,000	285,000
g. Interactive Computer		
Agency Fund	200,000	
h. Optical Character Reader		
Agency Fund		75,000
i. Utility Distribution and HVAC Systems, Initiate Repair and Replacement of Underground Services		
Agency Fund	100,000	

G. DEPARTMENT FOR HUMAN RESOURCES

1. Department for Health Services		
a. Miscellaneous Projects		
Investment Income	200,000	200,000
b. Central State Hospital Replacement Facility		
Bond Fund (1983-84-$3,426,000)		
2. Department for Social Services		
a. Miscellaneous Projects		
Investment Income	125,000	125,000
b. Lake Cumberland Boys Camp-Renovation of Dormitory and Restroom Facilities		
Investment Income		270,000
c. Juvenile Code Renovation		
General Fund		
3. Executive Policy Support		
a. Miscellaneous Projects		
Investment Income	250,000	250,000

H. JUSTICE

1. State Police		
a. Vehicles	590,000	100,000

I. MILITARY AFFAIRS

1. Major Maintenance and Repairs		
Investment Income	750,000	750,000
Federal Fund	*26,400*	*26,500*
TOTAL	776,400	776,500
2. Sikorsky S-76 Lease/Rental		
Investment Income	394,800	394,800
3. Jackson Armory		
Investment Income		
Federal Fund		
4. Hazard Armory		
Investment Income	100,000	
5. Ashland Organizational Maintenance Shop		
Investment Income	27,000	
Federal Fund	*112,100*	
TOTAL	139,100	
6. Maintenance of Helicopters		
Investment Income	65,000	35,000

J. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

1. State-Owned Dam Repair
Investment Income

The above appropriation shall not be used to repair dams owned by the Department of Fish and Wildlife Resources.

2. Kentucky Abandoned Lands-Reclamation Program		
Federal Fund	35,000,000	40,000,000

K. TOURISM

For the major equipment purchases and capital construction projects displayed in this section as agency fund and federal fund supported projects, it is anticipated that the funds shall be transferred from the operating fund at such time as funds are available and needed. The total project costs shown do not reflect additions to the operating fund appropriations.

1. Parks		
a. Miscellaneous Major Maintenance		
Investment Income	3,000,000	3,000,000
2. Kentucky Horse Park		
a. Miscellaneous Major Maintenance		
Investment Income	150,000	150,000
3. Fish and Wildlife Resources		
a. Land Acquisition		
Federal Fund	1,800,000	1,575,000
Agency Fund	*600,000*	*525,000*
TOTAL	2,400,000	2,100,000
b. Dam Maintenance		
Agency Fund	400,000	1,500,000
c. Guist Creek Dam Repair		
Agency Fund	900,000	
d. Road Grader		
Federal Fund		75,000
Agency Fund		*25,000*
TOTAL		100,000
e. Bulldozer		
Federal Fund	105,000	

Agency Fund	*35,000*	
TOTAL	140,000	
4. State Fair Board		
a. Major Maintenance, Renovation, and Repair Projects under $200,000		
Agency Fund	500,000	750,000
b. Waterproof Stadium, Coliseum, and East and West Wings		
Agency Fund	250,000	
c. Roof Coating for Coliseum and East and West Wings		
Bond Fund	750,000	
d. Boom Truck		
Agency Fund	75,000	

L. TRANSPORTATION

For the capital construction projects displayed in this section as Road Fund supported projects, it is anticipated that the funds shall be transferred from the operating fund at such time as funds are available and needed. The total project costs shown do not reflect additions to the operating fund appropriations.

1. Various Projects		
Road Fund	150,000	450,000
2. Woodford County Maintenance Facility		
Road Fund	300,000	

In the event that any authorized capital construction and/or equipment purchase projects are cancelled it is the intent of the General Assembly that any appropriated debt service for those same projects shall remain unallotted and lapse to the credit of the General Fund. Those projects set forth under the sub-heading "higher education" are subject to the action and approval of the Council on Higher Education and subject to approval of the Finance and Administration Cabinet. The provisions of KRS 45.750 through 45.990 notwithstanding, it is the intent of the General Assembly that capital construction projects at institution of higher education involving no state or federal funds, may be authorized between Regular Sessions of the General Assembly, providing that such projects receive prior approval from both the Council on Higher Education and the Secretary of the Finance and Administration Cabinet, and that the Capital Construction and Equipment Purchase Oversight Committee receives prior notification.

Notwithstanding the provisions of KRS 45.770, the Capital Construction and Equipment Purchase Contingency Fund may be used to advance funds to projects authorized to be financed by bonds and may be used to finance feasibility studies for projects which may be contemplated for future funding. Roof repair or replacement projects shall be eligible for Emergency Repair, Maintenance, and Replacement Fund allotments, subject to the provisions of KRS 45.780.

Included in the above appropriation is an Economic Development bond authorization of $25 million for fiscal year 1985-86. Before any economic development bonds are issued, the proposed bond issue and the proposed project shall be approved by the Secretary of the Finance and Administration Cabinet and submitted to the Capital Construction and Equipment Purchase Oversight Subcommittee for review under the provisions of KRS 45.750-45.800.

Inasmuch as the identification of specific projects in a variety of areas of the State Government cannot be ascertained with absolute certainty at this time, it is the purpose and intent of the General Assembly, the provisions of KRS 45.750 through 45.990 notwithstanding, to appropriate amounts for specific purposes to projects which are not individually identified herein in the following areas: Repair of State-Owned Dams, Economic Development Projects, Handicapped Access, and Fire and Life Safety projects. Any such projects estimated to cost over $200,000 and equipment estimated to cost over $50,000 shall be reported to the Capital Construction and Equipment Purchase Oversight Subcommittee.

All monies transferred to the Finance and Administration Cabinet for capital construction from any appropriations, including income from investments, shall be expended, accounted for, and otherwise treated in the same manner as funds appropriated directly to the Finance and Administration Cabinet for capital construction.

PART VI

GENERAL PROVISIONS

1. Except as otherwise explicitly authorized by this Act, nothing in this Act shall be construed to repeal any appropriation made hereinbefore or hereinafter for the fiscal year ending June 30, 1984, and nothing in this Act is to be construed as amending or altering the provisions of Chapters 42, 45, and 48 of the Kentucky Revised Statutes pertaining to the duties and powers of the Secretary of the Finance and Administration Cabinet. All questions that arise in interpreting any appropriation in this Act as to the purpose or manner for which such appropriation may be expended shall be decided by the Secretary of the Finance and Administration Cabinet in pursuant to KRS 48.500 and the decision of the Secretary of the Finance and Administration Cabinet shall be final and conclusive.

2. In enacting this Appropriation Act, it is the deliberate intention of the General Assembly to enact each section, and each subsection thereof as a separate and/or specific appropriation and law, and if any section, any subsection, or any provision thereof shall be held invalid or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions contained herein.

3. The Secretary of the Finance and Administration Cabinet is authorized to establish a system or formula or a combination of both for pro-rating the administrative costs of the Finance and Administration Cabinet, and the Departments of Treasury and Law relative to the administration of programs in which there is joint participation by the State and Federal Governments for the purpose of receiving the maximum amount of participation permitted under the appropriate Federal laws and regulations governing such programs.

4. All continuing appropriations in existence at the time this Act takes effect are discontinued and repealed by this Act except as provided by Chapters 12, 42, 56, 152, 177 and 341 of the Kentucky Revised Statutes. All laws and portions of laws in conflict with any of the provisions of this Section, to the extent of such conflict, are hereby repealed.

5. No state agency, cabinet, department, office, or program shall incur any obligation against the General Fund appropriations contained herein unless such obligation may be reasonably determined to have been contemplated in the enacted budget and is supported by appropriate work papers and other records pertaining thereto.

6. Any General Fund appropriation made herein in anticipation of a lack, loss, or reduction of Federal grants shall lapse to the General Fund to the extent such Federal Funds otherwise become available.

7. The Secretary of the Finance and Administration Cabinet shall cause the Governor's Office for Policy and Management, within forty-five days upon adjournment of the 1984 General Assembly, to prepare a final budget document based upon the Executive Budget proposal as enacted by the 1984 General Assembly as well as other acts which provide appropriations for the 1984-86 biennium and based upon supporting documentation and legislative records as considered by the 1984 General Assembly. This document shall include for each agency and budget unit a consolidated budget summary statement of available regular and continuing appropriated revenue by fund source, corresponding appropriation allocations by program or subprogram as appropriate, budget expenditures by principal budget class and such other fiscal data and commentary considered necessary by the Governor's Office for Policy and Management for budget execution and oversight. The enacted budget document and any adjustments thereto approved by the Governor's Office for Policy and Management and any supporting documents shall be communicated to the Interim Joint Committee on Appropriations and Revenue on a regular basis.

8. In the event that any authorized capital construction and/or equipment purchase projects are cancelled it is the intent of the General Assembly that any appropriated General Fund debt service for those same projects shall remain unallotted and lapse to the credit of the General Fund.

9. It is the intent of the General Assembly that the Secretary of the Transportation Cabinet shall use Road Fund resources to meet the lease rental payments to the Kentucky Turnpike Authority for Resource Recovery Road projects in the amount certified by the Secretary of the Transportation Cabinet. However, in the event that Road Fund resources are not sufficient to meet lease rental payments, the additional amount required for meeting lease rental payments as certified by the Secretary of the Transportation Cabinet under KRS 143.090 shall be transferred from coal severance tax receipts to cover the obligation.

10. The General Assembly recognizes that during fiscal year 1982-83 and fiscal year 1983-84, the General Fund revenues of the Commonwealth were less than the estimates upon which appropriations for those fiscal years were made by Part I, Chapter 398, of the 1982 Acts of the General Assembly. The General Assembly acknowledges that as a result of shortfalls in the revenues during the biennium for which funds were appropriated by the 1982 General Assembly the Secretary of Finance as directed by Paragraph 8, Part VI, Chapter 398, of the 1982 Acts of the General Assembly took action to prevent an overdraft or deficit in the finances of the Commonwealth through the reduction of appropriations made by PART I, Chapter 398, of the 1982 Acts of the General Assembly, and by various other actions, all as set forth in and provided by Orders 83-325 and 84-160 of the Secretary of Finance and Administration, which Orders are permanent records of the Commonwealth, on file in the Governor's Office for Policy and Management.

It is the intent of the General Assembly herein to ratify and confirm the appropriation levels appearing in Orders 83-325 and 84-160 of the Secretary of the Finance and Administration as the General Fund appropriations for fiscal year 1982-83 and fiscal year 1983-84, respectively, for the offices, boards, commissions, institutions, subdivisions and agencies of the Government of the Commonwealth of Kentucky, except so much thereof as relates to the appropriation to the Local Government Economic Assistance Fund for fiscal year 1983-84, which sum shall be determined as provided by KRS 45.450; it is the further intent of the General Assembly herein, the provisions of any other law of the Commonwealth to the contrary notwithstanding, to ratify and confirm the advances, transfers and lapsing to the General Fund of all non-General Fund monies as identified in said Orders 83-325 and 84-160 of the Secretary of the Finance and Administration, and to that end, the General Assembly hereby expressly ratifies, adopts, and enacts the appropriation levels contained in said Orders 83-325 and 84-160, including those provided for the Foundation Program as set forth and contained in KRS Chapters 157 and 157A and in Chapter 398 of the 1982 Acts of the General Assembly, as the appropriations for the offices, boards, commissions, institutions, subdivisions, and agencies of the Government of the Commonwealth for fiscal year 1982-83 and fiscal year 1983-84, and to the extent in conflict therewith the appropriation levels set forth in Part I, Chapter 398 of the 1982 Acts of the General Assembly shall be read as conforming to the levels of appropriation hereby enacted.

11. A Surplus Reserve Trust Fund is hereby established. In the event General Fund tax receipts exceed the official estimates in fiscal year 1984-85 and/or in fiscal year 1985-86 by an amount not greater than two and one-half percent (2.5 percent) of the estimate, the Surplus Reserve Trust Fund shall be appropriated 97.0 percent of the General Fund excess amount in fiscal year 1984-85, and shall be appropriated 97.1 percent of the General Fund excess amount in fiscal year 1985-86.

The Surplus Reserve Trust Fund shall be used in the event actual General Fund receipts during the 1984-85 fiscal year or the 1985-86 fiscal year are not sufficient to meet the General Fund appropriation levels authorized in this Act.

12. Pursuant to KRS 48.130, there is hereby established a budget reduction plan for the branches of state government for fiscal year 1984-85 and fiscal year 1985-86. This plan shall be for reduction in the respective budget recommendations for the various branch agencies of state government when projected tax receipts accruing to the General Fund and/or the Road Fund are at least 2 1/2 percent but not more than 5 percent less than the revenue estimates for these funds as determined by the official revenue estimate of the Secretary of the Revenue Cabinet of January 19, 1984.

All appropriation units and areas of state government will be subject to the budget reduction plan. Monies in General Fund Surplus Account created by KRS 48.700 shall be applied toward revenue shortfall in the General Fund. Monies in the Road Fund Surplus Account created by KRS 48.710 shall be applied toward revenue shortfall in the Road Fund.

The Committee Substitute to **HB 475** is as follows:

HB 475, AN ACT making appropriations for the operations, maintenance, support and functioning of the legislative branch of the government of the Commonwealth of Kentucky and its various officers, boards, commissions, subdivisions, and other state supported activities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART I

GENERAL FUND

There is appropriated to the Legislative Research Commission out of the General Expenditure Fund for the fiscal year beginning July 1, 1984 and ending June 30, 1985; and for the fiscal year beginning July 1, 1985 and ending June 30, 1986 to be used for the purposes of the legislative branch of government of the Commonwealth of Kentucky including, but not limited to, the legislative sessions, interim committees, monthly expense allowance, Legislative Research Commission, legislative interns, electronic data processing, and facilities improvement:

	1984-85	1985-86
1. General Assembly	$ 3,663,000	$ 6,246,000
2. Legislative Research Commission	$ 9,113,200	$ 9,740,200
3. Board of Ethics	$ 15,000	$ 18,000
Total - legislative branch	$12,791,200	$16,004,200

Any unexpended balance remaining at the close of the 1984-85 fiscal year shall not lapse, but shall continue into the 1985-86 fiscal year. The specific allocation of these funds shall be made by the director of the Legislative Research Commission at the direction of the Legislative Research Commission.

PART II

TRUST AND AGENCY FUNDS

There is hereby appropriated to the Legislative Research Commission for the fiscal year beginning July 1, 1984 and ending June 30, 1985, and for fiscal year July 1, 1985 and ending June 30, 1986, all receipts of the Legislative Research Commission not otherwise disposed by law, and any unexpended balance remaining in the Legislative Research Commission's existing trust and agency accounts at the close of the fiscal years ending June 30, 1984, June 30, 1985 and June 30, 1986.

In the event the Legislative Research Commission receives receipts in excess of the amounts appropriated herein, the director of the Legislative Research Commission at the direction of the Legislative Research Commission may authorize the credit and expenditure of such trust and revolving or agency funds receipts for statutory purposes. The director of the Legislative Research Commission shall notify on a timely basis the Legislative Research Commission of the most current estimates of anticipated receipts for the affected fiscal year and an accompanying statement which explains such variations from the anticipated amount.

	1984-85	1985-86
Legislative Research Commission	$100,000	$100,000

PART III

FEDERAL FUNDS

There is appropriated to the Legislative Research Commission for the fiscal year beginning July 1, 1984 and ending June 30, 1985, and for the fiscal year beginning July 1, 1985 and ending June 30, 1986, federal subvention, grants, contracts and other federal funds received, income from investment and other miscellaneous federal receipts received by the Legislative Research Commission except as otherwise specifically provided, for the use and benefit of the Legislative Research Commission for the purposes for which its fund is authorized, and any unexpended balance remaining in the Legislative Research Commission's existing federal accounts at the close of fiscal years ending June 30, 1985 and June 30, 1986. All funds received shall be deposited in the state treasury and credited to the proper federal fund account as provided by law.

In the event the Legislative Research Commission receives monies in excess of the amounts appropriated herein, the director of the Legislative Research Commission at the direction of the Legislative Research Commission may authorize the credit and expenditure of such federal funds for statutory purposes. The director of the Legislative Research Commission shall notify on a timely basis the legislative research commission of the most current estimates of anticipated receipts for the affected fiscal year with an accompanying statement which explains such variations from the anticipated amount.

	1984-85	1985-86
Legislative Research Commission	$100	$100

PART IV

BUDGET REDUCTION PLAN

In accord with KRS 48.130, if the projected or actual general fund revenues are certified to be at least two and one-half percent (2 1/2%) but not more than five percent (5%) less than the revenue estimates, and if there are insufficient monies in the general fund surplus account the general fund allotment shall be reduced as follows:

1. General Assembly	1984-85	1985-86
a. Legislative Research Commission, legislative operations and administration	$ 319,800	$ 400,100
Total - legislative branch	$ 319,800	$ 400,100

PART VI

GENERAL PROVISIONS

1. The director of the Legislative Research Commission with the approval of the Legislative Research Commission may expend any of the funds appropriated for legislative operation and administration in any lawful manner and for any legal purpose which the commission shall authorize or direct. No executive agency of state government shall have the power to restrict or limit the expenditure of funds appropriated to the legislative branch of government.
2. In enacting this appropriations act, it is the deliberate intention of the general assembly to enact each section, and each subsection thereof as a separate and specific appropriation and law, and if any section, any subsection, or any provisions thereof shall be invalid or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions contained herein.
3. The Legislative Research Commission shall not incur any obligation for any program against the general fund appropriation contained herein unless such program may be reasonably determined to have been contemplated by the proposed legislative budget, as modified and enacted, and supported by appropriate work papers and other records pertaining thereto.
4. The Legislative Research Commission shall cause the director of the Legislative Research Commission to

prepare a final budget document reflecting the 1984-86 biennial budget of the legislative branch. A copy shall be provided to the Legislative Research Commission and an informational copy shall be furnished to the finance and administration cabinet within thirty (30) days of the adjournment of the 1984 session of the General Assembly.

The Committee Substitute to **HB 406** is as follows:

HB 406, AN ACT making appropriations for the operations, maintenance, support and functioning of the judicial branch of the government of the Commonwealth of Kentucky and its various officers, boards, commissions, subdivisions, and other state supported activities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART I

GENERAL FUND

There is appropriated out of the general fund for the fiscal year beginning July 1, 1984 and ending June 30, 1985, and for the fiscal year beginning July 1, 1985 and ending June 30, 1986, the following sums to be used for the purposes of the judicial branch of the government of the Commonwealth of Kentucky including the Supreme Court, Court of Appeals, circuit court, district court, the administrative office of the courts, pretrial services, judicial boards and commissions, the state law library, judicial retirement, and for services performed by the circuit clerks' offices, including both circuit and district support:

1. Court of Justice	1984-85	1985-86
a. To the Court of Justice, for court operation and administration	$51,272,500	$54,147,600

There is included in the above appropriations an appropriation of $188,000 in fiscal year 1984-1985 and $172,400 in fiscal year 1985-1986 to the administrative office of the courts for the purpose of funding clerical positions to be established in the circuit clerk's offices and assigned duties to assist the circuit clerk and the district judge as determined to be needed by the administrative office of the courts.

There is included in the above appropriations $342,500 in fiscal year 1984-1985 and $689,000 in fiscal year 1985-1986 for providing a three percent (3%) salary adjustment each year for the justices and judges of the court. Also included are funds each year for providing a three percent (3%) salary adjustment for circuit clerks and non elected personnel.

b. To the Court of Justice, for the local facility fund	$ 7,735,600	$ 8,208,900

There is included in the above appropriations an appropriation of $112,000 in 1984-1985 and $112,000 in 1985-1986 for the purpose of funding the one dollar minimum rental payment for facilities which are authorized in KRS Chapter 26A.

Total Court of Justice	$59,008,100	$62,356,500
2. Judicial form retirement System		
a. To the board of trustees of the judicial form retirement system, for funding and operation of the judicial retirement plan	$ 2,286,900	$ 2,299,600
Total - judicial branch	$61,295,000	$64,656,100

PART II

TRUST AND AGENCY FUNDS

There is hereby appropriated to the Court of Justice for the fiscal year beginning July 1, 1984 and ending June 30, 1985, and for fiscal year July 1, 1985 and ending June 30, 1986, all receipts of the Court of Justice not otherwise disposed by law, and any unexpended balance remaining in the Court of Justice's existing trust and agency accounts at the close of the fiscal years ending June 30, 1985 and June 30, 1986.

In the event the Court of Justice receives receipts in excess of the amounts appropriated herein, the director of the administrative office of the courts at the direction of the chief justice may authorize the credit and expenditure of such trust and revolving or agency funds receipts for statutory purposes. The director of the administrative office of the courts shall notify on a timely basis the legislative research commission of the most current estimates of anticipated receipts for the affected fiscal year and an accompanying statement which explains such variations from the anticipated amount.

	1984-85	1985-86
Court of Justice	$1,000	$1,000

PART III
FEDERAL FUNDS

There is appropriated to the Court of Justice for the fiscal year beginning July 1, 1984 and ending June 30, 1985, and for the fiscal year beginning July 1, 1985 and ending June 30, 1986, federal subvention, grants, contracts and other federal funds received, income from investment and other miscellaneous federal receipts received by the Court of Justice except as otherwise specifically provided, for the use and benefit of the Court of Justice for the purposes for which its fund is authorized, and any unexpended balance remaining in the Court of Justice's existing federal accounts at the close of fiscal years ending June 30, 1985 and June 30, 1986. All funds received shall be deposited in the state treasury and credited to the proper federal fund account as provided by law.

In the event the Court of Justice receives monies in excess of the amounts appropriated herein, the director of the administrative office of the courts at the direction of the chief justice may authorize the credit and expenditure of such federal funds for statutory purposes. The director of the administrative office of the courts shall notify on a timely basis the legislative research commission of the most current estimates of anticipated receipts for the affected fiscal year with an accompanying statement which explains such variations from the anticipated amount.

	1984-85	1985-86
Court of Justice	$13,500	$100

PART IV
BUDGET REDUCTION PLAN

In accord with KRS 48.130, if the projected or actual general fund revenues are certified to be at least two and one-half percent (2 1/2%) but not more than five percent (5%) less than the revenue estimates, and in the event that there is insufficient monies in the General Fund Surplus Account for the prorata share of all branches the general fund allotment shall be reduced as follows:

1. Court of Justice	1984-85	1985-86
a. Court of Justice, court operation and administration	$1,532,400	$1,616,400
b. Court of Justice, local facility fund	$ 0	$ 0
2. Judicial form retirement system	$ 0	$ 0
Total - judicial branch	$1,532,400	$1,616,400

PART V
GENERAL PROVISIONS

1. The director of the administrative office of the courts with the approval of the chief justice may expend any of the funds appropriated for court operation and administration in any lawful manner and for any legal purpose which the chief justice shall authorize or direct. No executive agency of state government shall have the power to restrict or limit the expenditure of funds appropriated to the judicial branch of government.
2. In enacting this appropriations act, it is the deliberate intention of the general assembly to enact each section, and each subsection thereof as a separate and specific appropriation and law, and if any section, any subsection, or any provisions thereof shall be invalid or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions contained herein.
3. The Court of Justice shall not incur any obligation for any program against the general fund appropriation contained herein unless such program may be reasonably determined to have been contemplated by the proposed judicial budget, as modified and enacted, and supported by appropriate work papers and other records pertaining thereto.
4. The chief justice shall cause the director of the administrative office of the courts to prepare a final budget document reflecting the 1984-86 biennial budget of the Court of Justice. A copy shall be provided to the legislative research commission and an informational copy shall be furnished to the department of finance within thirty (30) days of the adjournment of the 1984 session of the general assembly.

The Committee on Appropriations and Revenue reported **SB 294** with Committee Substitute attached thereto, **SB 74, SB 197** with Committee Amendment attached thereto, and **SB 282** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 294, AN ACT relating to the relationship of the budget act to the Kentucky Revised Statutes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 446 IS CREATED TO READ AS FOLLOWS:

Nothing in the budget act adopted by the general assembly shall be construed to effect a repeal, amendment or any other substantive change in the Kentucky Revised Statutes, and if any repeal, amendment or any other substantive change appears to be effected in any of the Kentucky Revised Statutes, it shall be disregarded, shall be null and void, and the law as it existed prior to the effective date of the budget act shall be given full force and effect.

Section 2. KRS 48.300 is amended to read as follows:

(1) The financial plan for each fiscal year as presented in a branch budget recommendation shall be adopted, with such modifications as are made by the general assembly, by the passage of a [~~joint~~] budget *bill* [~~resolution~~] and such revenue and other acts as are necessary for the purpose.

(2) Prior to the passage of a [~~joint~~] budget *bill* [~~resolution~~] and any other acts necessary, the appropriations committees of the general assembly shall prepare a budget memorandum. The budget memorandum shall enumerate the changes made by the appropriations committees in a branch budget recommendation, and shall explain such changes in detail sufficient to convey the intent of the appropriations committees.

Section 3. KRS 48.310 is amended to read as follows:

(1) *The budget bill* [~~A joint budget resolution~~] shall be considered as subordinate to the Kentucky Revised Statutes and temporary in nature. No provision of a [~~joint~~] budget *bill* [~~resolution~~] shall be effective beyond the second fiscal year from the date of its enactment. A [~~joint~~] budget *bill* [~~resolution~~] enacted at a special session of the general assembly shall not be effective past July 1, of the year in which the next regular session takes place.

(2) No [~~joint~~] budget *bill* [~~resolution~~] shall contain language which exempts the budget *bill* [~~resolution~~] or any appropriation or the use thereof from the operation of a statute. Any language in a [~~joint~~] budget *bill* [~~resolution~~] in violation of this section shall be null and void.

The Committee Substitute to **SB 294** is as follows:

SB 294, AN ACT relating to the relationship of the budget act to the Kentucky Revised Statutes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 446 IS CREATED TO READ AS FOLLOWS:

(1) Nothing in a budget bill adopted by the general assembly shall be construed to effect a repeal or amendment in the Kentucky Revised Statutes, and if any repeal or amendment appears to be effected in any of the Kentucky Revised Statutes, it shall be disregarded, shall be null and void, and the law as it existed prior to the effective date of the budget bill shall be given full force and effect.

(2) Notwithstanding the provisions of subsection (1) of this section the general assembly may provide in a budget bill for the suspension or modification of the operation of a statute if the general assembly finds that the financial condition of state government requires such suspension or modification. Such suspension or modification shall not extend beyond the duration of the budget bill.

Section 2. KRS 45.760 is amended to read as follows:

The provisions of any other law notwithstanding:

(1) The governor shall include in the executive branch budget recommendation and in the draft joint budget resolution for the executive branch submitted to each regular session of the general assembly pursuant to KRS 48.130, for the biennium period beginning July 1, 1980 and for each biennium thereafter, a recommended state capital construction program and a recommended program for the purchase of major items of equipment.

(2) The recommended capital construction program shall include:

(a) A complete list and summary description of each specific capital construction project recommended for funding during the biennium; and

(b) For each project:

(i) The agency and purpose for which it will be used;

(ii) The justification for the project;

(iii) Its estimated completion date;

(iv) The total estimated cost of completing the project;

(v) The estimated cost of the project during the biennium;

(vi) The recommended sources of funds for the entire project; and

(vii) The dollar amounts recommended for appropriation and the dollar amounts, listed by source, that are anticipated from every other source of funds for the biennium.

(3) All information required by subsection (2) of this section shall be included in the executive branch budget recommendation. The joint budget resolution for the executive branch shall contain only a complete list of the specific capital construction projects recommended for funding during the biennium and, for each project, the information specified in subparagraphs (v), (vi) and (vii) of subsection (2)(b) of this section.

(4) During any biennium beginning July 1, 1980 and during each biennium thereafter, the amount allotted, from all sources, for expenditure on any project in the state capital construction program for that biennium shall not exceed the estimated cost of the project during that biennium, as shown in the executive branch budget recommendation and in the joint budget resolution for the executive branch enacted by the general assembly, except as provided in KRS 45.770 and 45.780.

(5) The recommended program for the purchase of major items of equipment shall include:

(a) A complete list and summary description of each specific major item of equipment recommended for purchase during the biennium; and

(b) For each major item of equipment:

(i) The agency and purpose for which it will be used;

(ii) The justification for the purchase;

(iii) The estimated cost of the item;

(iv) The recommended sources of funds; and

(v) The dollar amounts recommended for appropriation and anticipated from every other source of funds for the purchase.

(6) All information required by subsection (5) of this section shall be included in the executive branch budget recommendation. The joint budget resolution for the executive branch shall contain only a complete list of each specific item of major equipment recommended for purchase during the biennium and, for each item, the information specified in subparagraphs (iii), (iv) and (v) of subsection (5)(b) of this section.

(7) When the general assembly disapproves a project or item of equipment that was previously approved, it shall be eliminated as a project or major item of equipment in the capital construction program. Moneys appropriated for that project or item of equipment but not allotted, and moneys allotted but not expended to the project or equipment account, shall be transferred to the capital construction and equipment purchase contingency account in the capital construction fund. Agency funds for a disapproved project or item, that have been appropriated but unallotted or allotted but unexpended, shall be returned to the appropriate agency fund.

(8) Projects and major items of equipment disapproved under the preceding subsection shall be terminated.

(9) During any biennium beginning July 1, 1980 and during each biennium thereafter, the amount allotted from all sources for expenditure for the purchase of any major item of equipment shall not exceed the estimated cost of the item as shown in the executive branch budget recommendation and in the appropriation act or acts enacted by the general assembly and authorizing the purchase, except as provided in subsection (10) of this section and in KRS 45.770 and 45.780.

(10) A major item of equipment to be used for medical, scientific or research purposes, excluding computer equipment and aircraft, may be purchased even though it is not specifically listed in the biennial budget report and appropriation act or acts enacted for the current biennium subject to the following conditions and procedures:

(a) Moneys specifically appropriated by the general assembly for another purpose shall not be realloted for expenditure on the item;

(b) Funds are available for the purchase and the method of financing the purchase will not require an additional appropriation of state funds to acquire the item; and

(c) The purchasing agency shall, within thirty (30) days after making the purchase, report the purchase to the capital construction and equipment purchase oversight committee. The report shall include a description of the item, the purpose for which it will be used, the necessity for the purchase, and the amount expended for the purchase from each source of funds used.

(11) A capital construction project or a major item of equipment may be authorized even though it is not specifically listed in the biennial budget report and appropriation act or acts, subject to the following conditions and procedures:

(a) Fifty percent (50%) or more of the actual cost shall be funded by federal or private funds, and fifty percent (50%) or less of the actual cost shall be funded by moneys appropriated to the capital construction and equipment purchase contingency account;

(b) Moneys specifically appropriated by the general assembly for another purpose shall not be allotted or reallotted for expenditure on the project or major item of equipment; and

(c) The finance and administration cabinet shall submit the project or major item of equipment to the committee for review as provided by KRS 45.800.

(12) *The general assembly may provide in a budget bill for the capital construction and equipment purchase contingency fund to be used to advance funds to projects authorized to be financed by bonds, and to finance feasibility studies for projects which may be contemplated for future funding.*

(13) On or before September 1, the secretary of the finance and administration cabinet shall submit to the committee the following information:

(a) A complete list and summary description of every capital construction project and major item of equipment not completed as of June 30 of the prior fiscal year; and

(b) For each project and major item of equipment, as of July 1, of the current fiscal year:

(i) The project phase;

(ii) The project account number, project name, and any other term employed to identify the project or major item of equipment;

(iii) The available balance in the project or major item of equipment account, and any sums considered available for that project or major item of equipment;

(iv) A statement of the transfers of funds to or from the project or major item of equipment account; and, any account to which transfers from each project or major item of equipment has been made;

(v) The year in which the project or major item of equipment was approved, with specific reference to the legislation by which the project or item was approved;

(vi) Total expenditure on the project or major item of equipment;

(vii) The current estimated completion cost, including the amount required for annual inflation;

(viii) A statement that additional funds for the completion of the project or major item of equipment are or are not required; and, if required, why sufficient funds for completion are not available;

(ix) Justification for the project or major item of equipment;

(c) The balance in the appropriated, but unallotted account; and the balance in any account, however designated, that contains appropriated, but unallotted funds for capital construction.

Section 3. KRS 45.770 is amended to read as follows:

(1) There is created within the capital construction fund the capital construction and equipment purchase contingency account. The account shall consist of moneys appropriated to the account by the general assembly.

(2) Money in the capital construction and equipment purchase contingency account may be transferred to the allotment account of a capital construction project, authorized by the general assembly under KRS 45.760, subject to the following conditions and procedures:

(a) Except as provided in paragraphs (b) and (c) of this subsection, during any biennium, the amount that may be transferred from the capital construction and equipment purchase contingency account to the allotment account of an authorized project shall not exceed an amount equal to fifteen percent (15%) of the estimated cost of the project, for that biennium, approved by the general assembly in the manner provided by KRS 45.760.

(b) Subject to paragraph (c) of this subsection, if the cost of an authorized project exceeds, by more than fifteen percent (15%), its estimated cost, as approved by the general assembly, due to an unforeseen decision by a federal or state court or regulatory agency, moneys in excess of fifteen percent (15%) of the estimated cost of the project may be transferred from the capital construction and equipment purchase contingency account to the allotment account of the project.

(c) The finance and administration cabinet shall, prior to making any transfer under this subsection, present the proposed transfer to the capital construction and equipment purchase oversight committee for review as provided by KRS 45.800. Presentation of a proposed transfer under paragraph (b) of this subsection shall include written certification to the committee from the commissioner of the department for facilities management, finance and administration cabinet, that the transfer is necessitated by cost increases resulting from an unforeseen decision by a federal or state court or regulatory agency.

(3) Money in the capital construction and equipment purchase contingency account may be transferred to the allotment account of a major item of equipment, authorized by the general assembly under KRS 45.760, for expenditure on that item subject to the following conditions and procedures:

(a) Except as provided in paragraphs (b) and (c) of this subsection, during any biennium, the amount that may be transferred from the capital construction and equipment purchase contingency account to the allotment account of an authorized major item of equipment shall not exceed an amount equal to fifteen percent (15%) of the estimated cost of the item, for that biennium, approved by the general assembly in the manner provided by KRS 45.760.

(b) In the event that the cost of an authorized major item of equipment exceeds, by more than fifteen percent (15%), its estimated cost, as approved by the general assembly, due to an unforeseen decision by a federal or state court or regulatory agency, moneys in excess of fifteen percent (15%) of the estimated cost may be transferred from the capital construction and equipment purchase contingency account to the allotment account of the item.

(c) The finance and administration cabinet shall, prior to making any transfer under this subsection, present the proposed transfer to the capital construction and equipment purchase oversight committee for review as provided by KRS 45.800. Presentation of a proposed transfer under paragraph (b) of this subsection shall include written certification to the committee from the secretary of the finance and administration cabinet that the transfer is necessitated by cost increases resulting from an unforeseen decision by a federal or state court or regulatory agency.

(4) *The general assembly may provide in a budget bill amounts for specific purposes for projects which cannot be individually identified.*

(5) Unless the project is the subject of litigation, final acceptance of a project shall occur no later than thirteen (13) months after the project is transferred to the Commonwealth of Kentucky. No later than thirty (30) days after final acceptance of a project or item of equipment by the Commonwealth of Kentucky, moneys constituting the available balance in the project or equipment account shall be transferred to the appropriated, but unallotted account within the capital construction fund, and the project or equipment account shall be closed. The finance and administration cabinet shall notify the committee of the final acceptance of a project or item of equipment, the transfer of the available balance, and the closing of the account no later than thirty (30) days following the closing of the account.

Section 4. KRS 48.300 is amended to read as follows:

(1) The financial plan for each fiscal year as presented in a branch budget recommendation shall be adopted, with such modifications as are made by the general assembly, by the passage of a [~~joint~~] budget *bill* [~~resolution~~] and such revenue and other acts as are necessary for the purpose.

(2) Prior to the passage of a [~~joint~~] budget *bill* [~~resolution~~] and any other acts necessary, the appropriations committees of the general assembly shall prepare a budget memorandum. The budget memorandum shall enumerate the changes made by the appropriations committees in a branch budget recommendation, and shall explain such changes in detail sufficient to convey the intent of the appropriations committees.

Section 5. KRS 48.310 is amended to read as follows:

(1) *A budget bill* [~~A joint budget resolution~~] shall be considered as subordinate to the Kentucky Revised Statutes and temporary in nature. No provision of a [~~joint~~] budget *bill* [~~resolution~~] shall be effective beyond the second fiscal year from the date of its enactment. A [~~joint~~] budget *bill* [~~resolution~~] enacted at a special session of the general assembly shall not be effective past July 1, of the year in which the next regular session takes place.

(2) No [~~joint~~] budget *bill* [~~resolution~~] shall contain language which exempts the budget *bill* [~~resolution~~] or any appropriation or the use thereof from the operation of a statute. Any language in a [~~joint~~] budget *bill* [~~resolution~~] in violation of this section shall be null and void.

SECTION 6. A NEW SECTION OF KRS CHAPTER 48 IS CREATED TO READ AS FOLLOWS:

(1) The general assembly may provide in a budget bill for the transfer to the general fund for the purpose of the general fund all or part of the agency funds, special funds, or other funds established under the provisions of KRS 15.430; 16.565; 21.347; 21.540; 21.560; 42.500; 47.010; 48.010(g); 56.100; 61.470; 61.580; 64.345; 64.350; 64.355; 78.650; 95A.220; 136.392; 138.510; 154.150; 161.420; 161.430; 164A.110; 164A.800; 164A.810; 216A.110; 230.218; 230.398; 230.400; 230.770; 235.330; 248.540; 248.550; 278.130; 278.150; 287.485; 304.35-030; 311.450; 311.610; 312.019; 313.350; 314.161; 315.195; 316.210; 317.530; 317A.080; 319.131; 320.360; 321.320; 322.290; 322.330; 322.420; 323.080; 323.190; 323.210; 323A.060; 323A.190; 323A.210; 324.286; 324.410; 325.250; 326.120; 327.080; 330.050; 344.160; 334A.120; 335.140; 342.122; 342.480, etc.

(2) The transfer of monies from the agency funds, special funds, or other funds to the general fund provided for in subsection (1) of this section shall be for the period of time specified in the budget bill.

(3) Any provisions of any statute in conflict with the provisions of subsections (1) and (2) of this section are hereby repealed.

Section 7. A NEW SECTION OF KRS CHAPTER 48 IS CREATED TO READ AS FOLLOWS:

To the extent that the provisions of a budget bill are in conflict with any provisions of KRS Chapters 12, 42, 56, 152, 177, or 341, the provisions of those chapters are hereby suspended or modified. Such suspension or modification shall not extend beyond the duration of the budget bill.

Section 8. KRS 143.090 is amended to read as follows:

(1) The department of transportation shall certify to the commissioner of the department of revenue by October 1 of each fiscal year the amount required for lease rental payments to the Kentucky turnpike authority for resource recovery road projects.

(2) The secretary of the Kentucky department of energy shall certify to the commissioner of the department of revenue by October 1 of each year the amount of the annual lease rental payments required to be made for any energy research developmental or demonstration project undertaken by the department of energy. The amount so certified shall in no case exceed three million dollars ($3,000,000.00) in any one (1) year.

(3) Upon receiving the certifications provided for in subsections (1) and (2) of this section, the

commissioner of the department of revenue shall cause the certified amounts to be deposited from the proceeds of the tax levied by KRS 143.020 to the credit of the transportation fund and the department of energy, respectively, *unless otherwise provided by the general assembly in a budget bill,* as follows:

(a) An amount equal to the amount certified by the department of transportation shall be deposited to the transportation fund (road fund); and

(b) An amount equal to the amount certified by the secretary of the Kentucky department of energy shall be transferred by appropriate interfund transfer procedures to the Kentucky department of energy.

(4) All tax levied by KRS 143.020 collected in excess of the amount required to be deposited to the transportation fund (road fund) or transferred to the Kentucky department of energy shall be deposited by the department of revenue to the credit of the general fund.

(5) In the event the proceeds of the tax levied by KRS 143.020 are less than the amounts certified under subsections (1) and (2) of this section, the commissioner of revenue shall prorate the proceeds to the transportation fund and the Kentucky department of energy based upon the ratio of each certified amount to the total of the two (2) certified amounts.

Section 9. KRS 156.440 is amended to read as follows:

(1) Textbook publishers, upon the request of the superintendents of the county and independent school districts, shall furnish to the local boards of education the requested sample copies of their books that were selected and placed on the state multiple list of textbooks by the textbook commission.

(2) *Unless otherwise provided by the general assembly in a budget bill,* the board of education of each county and independent school district shall, upon the recommendation of its superintendent and not later than April 15 of any adoption year, select from the state multiple list books or programs for each subject and grade to be used as a basal text, in its school system for a period of six (6) years and any extensions thereof.

(3) County and/or independent school district or districts, however, may decline to make textbook adoptions. Such a school district or districts that decline or fail to make textbook adoptions on or before April 15 shall use the books or programs on the state multiple list designated by the state textbook commission for each subject and grade for the adoption period.

(4) After the local board of education has adopted the basal textbooks for use of the district and not later than April 20, the superintendent of schools shall send to the superintendent of public instruction a complete list of books adopted properly certified by the chairman and secretary of the board of education.

Section 10. KRS 157.360 is amended to read as follows:

(1) In determining the cost of the foundation program for each district, the superintendent of public instruction shall allot to each district classroom units for elementary and secondary schools, classroom units for vocational education, classroom units for exceptional children, classroom units for kindergarten, classroom units for gifted and talented children when units are included in the executive budget, classroom units for superintendents, administrative and special instructional services, classroom units for supervisors of instruction, and classroom units for directors of pupil personnel; provided, however, that the number of classroom units allotted any district shall not exceed the number of teachers employed by the district.

(2) (a) *Unless otherwise provided by the general assembly in a budget bill,* in allotting classroom units for elementary and secondary schools, one (1) classroom unit shall be included for each twenty-seven (27) pupils in average daily attendance in grades one (1) through twelve (12); provided, however, that one (1) classroom unit shall be included for each isolated one-teacher school with twelve (12) or more pupils in average daily attendance and one (1) unit shall be included for each twenty-five (25) pupils in average daily attendance at all other isolated schools. *Unless otherwise provided by the general assembly in a budget bill,* the allotments of classroom units in this subsection shall be made on the average daily attendance for the end of the previous school year in public school grades one (1) through twelve (12) after the following deductions:

1. An average daily attendance of six and nine-tenths (6.9) in 1978-79 and eight and four-tenths (8.4) in 1979-80 shall be deducted for each vocational unit allotted; and
2. An average daily attendance of five and one-tenth (5.1) in 1978-79 and six and three-tenths (6.3) in 1979-80 shall be deducted for each exceptional children's unit allotted.

(b) If a local school district through its admission and release committee determines that an appropriate program in the least restrictive environment for a particular handicapped child includes either part-time or full-time enrollment with a private school or agency within the state or a public or private agency in another state, then the school district shall count this as average daily attendance in a public school the time that such child is in attendance at such school or agency, contingent upon approval by the state superintendent of public instruction and pursuant to KRS 158.130.

(c) Pupils attending a center for child learning and study established under an agreement pursuant to KRS 65.210 through 65.300 shall, for the purpose of calculating average daily attendance, be considered as in attendance in the school district in which the child legally resides and which is party to the agreement. For purposes of KRS 157.360(1), teachers employed in such a center shall be considered as employes of each school district which is a party to the agreement.

(3) Allotments of classroom units except those allotted in accordance with subsection (4) of this section, shall be increased when the average daily attendance in grades one (1) through twelve (12) in any

district for the first two (2) months of the current school year is greater than the average daily attendance of the district in grades one (1) through twelve (12) for the first two (2) months of the previous school year. The total number of classroom units allotted the district shall be increased by the percent of increase.

(4) If the percentage of attendance of any school district shall have been reduced more than two percent (2%) during the previous school year, the number of classroom units allotted the district, except those allotted in accordance with subsection (3) of this section, for the current school year shall be increased by the difference in the percentage of attendance for the two (2) years immediately prior to the current school year less two percent (2%).

(5) *Unless otherwise provided by the general assembly in a budget bill,* in allotting classroom units for vocational education, one (1) classroom unit shall be allotted for each full-time teacher, and a proportionate fraction of a classroom unit shall be allotted for each less than full-time teacher of vocational classes that meet the regulations of the state plan of vocational education as approved by the state board of education; a proportionate fraction of a classroom unit shall be allotted for each teacher employed to teach part-time or short unit classes for less than a school day or a school year that meet the regulations of the state plan of vocational education as approved by the state board of education. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without approval of the governor.

(6) (a) *Unless otherwise provided by the general assembly in a budget bill,* in allotting classroom units for exceptional children, one (1) classroom unit shall be included upon the employment of each teacher approved to teach such children in accordance with the provisions of law and Kentucky administrative regulations of the state board of education. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without approval of the governor. In addition to the classroom units allotted above, if a local school district, through its admission and release committee, determines that the most appropriate and least restrictive individual educational program for a particular handicapped child includes either part-time or full-time enrollment with a private school or agency, the school district shall be reimbursed in addition to the amount distributed under KRS 157.390(6), a pro rata allotment for those pupils under contract. The pro rata amount shall be calculated by dividing the district's average salary allotted for 185 days plus the current expense and capital outlay allotment per classroom unit by the maximum number of pupils required by regulations for the pupil's specific type of classroom unit.

(b) The superintendent of public instruction shall limit approval of additional private agencies for participation in state funding for the above cited program to those funds appropriated for this purpose in each biennial budget.

(7) (a) *Unless otherwise provided by the general assembly in a budget bill,* in allotting classroom units for administrative and special instructional services, the total number of classroom units allotted in subsections (2), (10) and (12) plus subsections (5) and (6) before July 1, 1976 shall be divided by eight (8) and the quotient shall be the number of classroom units allotted to the district under this subsection.

(b) The total number of units allotted under subsection (5) beyond those allotted in the school year 1975-76 times six and nine-tenths (6.9) in 1978-79 and eight and four-tenths (8.4) in 1979-80 average daily attendance plus the total number of units allotted under subsection (6) beyond those allotted in the school year 1975-76 times five and one-tenth (5.1) in 1978-79 and six and three-tenths (6.3) in 1979-80 average daily attendance shall be divided by two hundred and sixteen (216) and the quotient shall be the number of classroom units allotted to the district under this subsection.

(c) The total of subsection (a) plus subsection (b) shall be the number of classroom units allotted the district for administrative and special instructional services as authorized by Kentucky administrative regulations of the state board of education.

(8) In allotting classroom units for supervisors of instruction, one-half (1/2) of a classroom unit shall be allotted each district which is allotted twenty-five (25) through forty-nine and nine-tenths (49.9) classroom units under subsections (2), (5), (6), (10) and (12); one (1) unit shall be allotted each district which is allotted fifty (50) to one hundred (100) classroom units, one (1) unit shall be allotted for each one hundred (100) classroom units, or major fraction thereof, in districts allotted more than one hundred (100) classroom units under these subsections.

(9) *Unless otherwise provided by the general assembly in a budget bill,* in allotting classroom units for directors of pupil personnel, one (1) classroom unit shall be allotted each district which is allotted thirty-six (36) to one hundred and sixty-five and nine-tenths (165.9) classroom units under subsection (2) and a unit for each additional two hundred and sixty-six (266) classroom units or fraction thereof allotted under subsection (2). For districts having fewer than thirty-six (36) classroom units, a proportionate fraction of a classroom unit shall be allotted.

(10) *Unless otherwise provided by the general assembly in a budget bill,* in allotting classroom units for kindergarten, the superintendent of public instruction, under Kentucky administrative regulations of the state board of education, may allot units for kindergarten. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without approval of the governor.

(11) In allotting classroom units for superintendent, one unit shall be allotted each school district.

(12) In allotting classroom units for gifted and talented children, the superintendent of public

instruction, under Kentucky administrative regulations of the state board of education, may allot units for gifted and talented children. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without the approval of the governor.

Section 11. KRS 157.430 is amended to read as follows:

If, when the apportionments are being determined under the provisions of KRS 157.310 to 157.440, funds appropriated by the general assembly to the public school foundation program fund are insufficient to provide the amount of money required under subsection (6) of KRS 157.390, the superintendent of public instruction, *unless otherwise provided by the general assembly in a budget bill,* shall make a percentage reduction in the allotments to reduce the total of these allotments to funds available.

Section 12. KRS 158.135 is amended to read as follows:

As used in this section, unless the context otherwise requires:

(1) "Out-of-district children," means those children of school age located in a state-operated institution or state-operated day treatment center.

(2) "Current costs and expenses," means all expenditures, other than for capital outlay and debt service, which, in the final result, are an actual charge on the tax revenue of the school district for the furnishing of school services to out-of-district children. Among other things, "current costs and expenses" does not include those expenditures for which the school district receives reimbursement from any source, other than from the state under the provisions of this section. However, in determining such costs and expenses, consideration shall be given to the fact that classroom units are more expensive for exceptional children.

(3) *Unless otherwise provided by the general assembly in a budget bill,* any county or independent school district which provides elementary or secondary school services to out-of-district children shall be reimbursed by the department of education, out of funds not required by law to be expended for other purposes or in any other manner, in an amount equal to all current costs and expenses of the district for furnishing such services in excess of any per capita distribution received from the common school fund on behalf of the children. The school services furnished to out-of-district children shall be substantially equal to those furnished to other school children of the district.

(4) The school district shall make to the superintendent of public instruction such reports as he requires concerning school services for out-of-district children, and shall file with the state agency operating the institution or day treatment center in which the children are located a copy of the annual report made to the superintendent of public instruction.

(5) The school district, at the end of each school year, shall make application to the superintendent of public instruction for the reimbursement due on behalf of school services furnished during the year just ended. After approving the application, the superintendent of public instruction shall notify the secretary of the department of finance who shall cause a warrant, in the appropriate amount, to be drawn in favor of the school district.

(6) Notwithstanding the provisions of any other statute, school districts furnishing services to out-of-district children may operate a year-round program for such children and may be compensated on a year-round basis provided that priority in allotting funds shall be given to one hundred eighty-five (185) day school programs.

Section 13. KRS 271A.625 is amended to read as follows:

The secretary of state shall charge and collect in accordance with the provisions of this chapter *and as may be provided by the general assembly in a budget bill*:

(1) Fees for filing documents and issuing certificates; and

(2) Miscellaneous charges.

SB 74, AN ACT relating to sales and use tax.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 139 IS CREATED TO READ AS FOLLOWS:

Notwithstanding any other provisions of this chapter, the taxes imposed herein do not apply to sales by elementary or secondary schools or nonprofit elementary or secondary school sponsored clubs and organizations or any nonprofit, elementary or secondary school affiliated groups such as parent-teacher organizations and booster clubs, whose membership may be composed of individuals other than students, provided the proceeds from such sales are used solely for the benefit of the elementary or secondary school or its students.

Section 2. KRS 139.496 is amended to read as follows:

(1) Notwithstanding any other provisions of this chapter, the taxes imposed herein do not apply to

the first five hundred dollars ($500) of sales made in any calendar year by individuals or nonprofit organizations not engaged in the business of selling. This exemption is limited to the following types of transactions or activities:

(a) Garage or yard sales of household items by an individual or family which are in no way associated with or related to the operation of a business;

(b) Fund raising event held by nonprofit civic, governmental, or other nonprofit organizations, *except as set forth in Section 1 of this Act*;

(2) The exemption does not apply to activities in which all or substantially all the household goods of a person are offered for sale or where nonprofit organizations conduct regular selling activities in competition with private business.

SB 197, AN ACT relating to collection of revenue.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 12.210 is amended to read as follows:

(1) The governor, or any department with the approval of the governor, may employ and fix the term of employment and the compensation to be paid to an attorney or attorneys for legal services to be performed for the governor or for such department. *An attorney hired for the collection of revenue owed to the state by a resident shall not be hired by personal service contract.* Before approving the employment of an attorney the governor shall consult the attorney general as to whether legal services requested by departments are available in the attorney general's office. The compensation and expenses of any attorney or attorneys employed under the provisions of this section shall be paid out of the appropriations made to such department as other salaries, compensation and expenses are paid, except when the terms of employment provide that the compensation shall be on a contingent basis, and in such event the attorneys may be paid the amount specified out of the moneys recovered by them or out of the general fund. If the governor approves the employment, the terms of employment shall be duly entered by executive order upon the executive journal in the office of the secretary of state.

(2) An attorney may be employed pursuant to the provisions of subsection (1) of this section to render legal services for one or more departments, boards, program cabinets, offices or commissions.

SECTION 2. A NEW SECTION OF KRS CHAPTER 45 IS CREATED TO READ AS FOLLOWS:

The department of revenue shall not enter into any personal service contract for the collection of revenue for the state or for the prosecution of any action or proceeding for the collection of delinquent taxes owed by a resident and the assessment of omitted property owned by a resident.

Section 3. KRS 134.380 is amended to read as follows:

(1) The commissioner [~~of revenue~~] may act in the name of and in behalf of the state and in the name of and in behalf of any and all counties, school and other taxing districts in the state, except cities, to institute and prosecute any action or proceeding for the collection of delinquent taxes and the assessment of omitted property.

(2) [~~The commissioner may employ~~] Field agents, accountants and attorneys *of the department shall* [~~to~~] prosecute all such actions and proceedings *under the direction of the commissioner*[~~, and may fix their compensation, including the payment of their necessary expenses. Their employment and compensation shall be approved by the governor in writing~~]. *Field agents, accountants, attorneys, and all other employes of the department engaged in the prosecution of such actions shall not be hired by personal service contract.* The commissioner shall prosecute diligently, or cause to be prosecuted by field agents, accountants and attorneys employed by him, the collection of all delinquent taxes due the state.

(3) Nothing contained in this chapter shall prevent the commissioner of revenue from assessing any property in accordance with the provisions of KRS 136.020, 136.030, 136.050, 136.120 to 136.180 or 136.270.

(4) The department [~~of revenue~~] may require any reports necessary to administer the law in connection with the collection of delinquent taxes, and may promulgate rules and regulations as to how the tax bills, certificates of delinquency and other forms shall be filed and recorded. The department shall require an index to be kept of all certificates of delinquency.

Section 4. KRS 135.050 is amended to read as follows:

(1) The commissioner of revenue shall prosecute diligently[~~, or cause to be prosecuted by field agents, accountants and attorneys employed by him,~~] the collection of all license fees, omitted license, inheritance, estate, income, excise or franchise taxes, judgments or other moneys, claims or demands due the state from any person.

(2) The department of revenue may institute legal proceedings to ascertain the amount of tax due under any statute imposing a license, excise or income tax in favor of the state, and to enforce the collection

of the amount due and the penalties and interest thereon, and, in the case of a license or excise tax, to enjoin the operation of the business of the delinquent until the tax is paid.

(3) The department of revenue may, at or after the commencement of an action under subsection (2) of this section to collect the amount of license, excise or income tax due and the penalties and interest thereon, have an attachment against the property of the person liable for the tax or a garnishment of his debtors, without the execution of a bond.

Section 5. KRS 135.060 is amended to read as follows:

(1) *Employes of the revenue department* [~~Each field agent, accountant or attorney employed by the commissioner of revenue~~] shall, when directed by the commissioner, institute actions in the name of the state, and in the name of any county, school or other taxing district, on relation of the commissioner, against any delinquent state, county or district officer or any person to recover taxes or any other money due the state or any county, school or other taxing district.

(2) *Employes of the revenue department* [~~Each field agent, accountant or attorney appointed by the commissioner,~~] before instituting or causing to be instituted any action that *the commissioner* [~~he~~] is authorized by law to institute, shall file a copy of same with the commissioner, with a verified statement of the facts upon which it is based. No action shall be instituted or caused to be instituted by *an employe* [~~any field agent, accountant or attorney~~] until it is approved and authorized by the commissioner.

(3) In all actions brought under subsection (1) of this section in which a judgment is recovered, the party in default shall, in addition to the amount found to be due the state or any county, school or other taxing district, be adjudged to pay a penalty of twenty per cent (20%) on the amount due.

Section 6. KRS 135.070 is amended to read as follows:

(1) No action shall be settled by any *employe of the department* [~~field agent, accountant or attorney employed by the commissioner~~] of revenue except by judgment in open court, and no compromise or agreed judgment shall be entered in any such action until there is filed with the commissioner of revenue a statement, verified on oath by *an employe involved in the action* [~~the field agent, accountant or attorney~~], stating the facts and showing the reasons why a compromise or agreed judgment should be entered, and stating further that no agreement or settlement other than the one (1) stated in the proposed judgment has been entered into by him or anyone for him, and that the proposed settlement is for the best interest of the state.

(2) Upon receiving the statement the department of revenue shall investigate the action in which it is proposed to enter a compromise or agreed judgment, and if satisfied it is for the best interest of the state, the commissioner shall approve the statement and send it to the *appropriate employe* [~~field agent, accountant or attorney~~] who shall file it in the court in which the action is pending. The approved statement shall authorize the court, as far as the state, county, school or other taxing district for which the commissioner is acting as relator is concerned, to enter the compromise or agreed judgment.

[~~(3) Each field agent, accountant and attorney shall keep a set of books in which shall be kept a list of all actions instituted or caused to be instituted by him, together with their final disposition. Each field agent, accountant and attorney shall report immediately to the commissioner all important steps taken in any action on behalf of the state, or any county, school or other taxing district in the name of which the commissioner is authorized to act as relator. The department shall examine the books and accounts of the agents, accountants and attorneys at any time it deems proper, and the books and accounts shall at all times be open to its inspection.~~]

The Committee Amendment No. 1 to **SB 197** is as follows:

Amend printed copy of **SB 197**, on page 7, after line 10, by adding the following language:

"SECTION 7. A NEW SECTION OF KRS CHAPTER 131 IS CREATED TO READ AS FOLLOWS:

Notwithstanding the provisions of KRS 44.030 or 131.190, the revenue cabinet shall withhold the Kentucky individual income tax refund otherwise due a taxpayer under KRS Chapter 141 who is indebted to any state agency, officer, board, commission, corporation, institution, cabinet, department or other state organization which has complied with the requirements of Section 8 of this Act. After satisfaction of any undisputed delinquent tax liability due the revenue cabinet from such taxpayer, the tax refund balance so withheld shall, except as provided in Section 8 of this Act, be transmitted as soon as practicable to the state agency having established a claim therefor. In the case of multiple state agency claims against the same tax refund, the agency having the larger pending claim shall have priority after satisfaction of any undisputed delinquent tax liabilities due the revenue cabinet.

SECTION 8. A NEW SECTION OF KRS CHAPTER 131 IS CREATED TO READ AS FOLLOWS:

(1) No state agency shall request the withholding of any individual income tax refund unless there is specific statutory provision for debtor appeal and hearing rights for that particular debt.

(2) State agencies desiring to establish claims against Kentucky individual income tax refunds shall notify the secretary of revenue in writing of such intention by a date established by the revenue cabinet and, by the following December 31, shall furnish a list of all liquidated debts due the agency for which withholding is requested for individual income tax refunds due to be paid during the next calendar year. Such list shall be submitted in such form and contain such information as may be required by the secretary of revenue to facilitate identification of the refunds to be withheld. As used in this Act the term "liquidated debt" means a legal debt for a sum certain, which has been certified by the claimant agency as final due and owing. The claimant agency must have made reasonable efforts to collect such debt, and must have provided the debtor the opportunity for appeal and formal hearing as provided by statute. The claimant agency must send thirty (30) days prior written notification to the debtor of the intention to submit the claim to the revenue cabinet for setoff as provided in this Act.

(3) The individual income tax refund withholding procedures provided in this Act shall be in lieu of the procedures set forth in KRS 427.130 and 44.030 only with regard to sums due to a debtor from the revenue cabinet.

(4) No state agency shall request the withholding of any individual income tax refund unless the debt for which withholding is requested is in a liquidated amount.

(5) Each state agency requesting the withholding of any individual income tax refund shall indemnify the revenue cabinet against any and all damages, court costs, attorneys fees and any other expenses related to litigation which arises concerning the administration of this Act as it pertains to a refund withholding action requested by such agency.

(6) Those state agencies requesting the withholding of individual income tax refunds shall, on a per unit cost or other equitable basis determined by the revenue cabinet, reimburse the revenue cabinet for all development, implementation and administration costs incurred but not otherwise funded under the provisions of this Act.

(7) During the development and implementation phase and the first full year of operation of the program, the revenue cabinet may limit agency participation in the program to ensure orderly implementation of the system.

SECTION 9. A NEW SECTION OF KRS CHAPTER 131 IS CREATED TO READ AS FOLLOWS:

(1) Upon determining that a pending individual income tax refund is subject to setoff as authorized under this Act, the debtor shall be notified in writing by the revenue cabinet of the claim made against such refund by the named claimant agency, and of the revenue cabinet's intention to set off the refund against the debt to the claimant agency. The notice shall provide that the debtor within thirty (30) days from the date of the notice may request a hearing before the claimant agency as provided by statute. No issues at such hearing may be considered that have been litigated previously and the debtor, after being given due notice of rights of appeal, must exercise such rights in a timely manner. The decision of the claimant agency shall be subject to appeal as all other decisions rendered by the claimant agency. No funds shall be transferred to a claimant agency until the debtor's appeal rights have been exhausted.

(2) Any excess of the pending refund amount over the total claim filed against such refund shall be promptly issued to the taxpayer by the revenue cabinet.

(3) In the event funds transmitted to a claimant agency are subsequently determined by the claimant agency to be in excess of the liquidated debt, such claimant agency shall promptly refund the excess to the taxpayer.

(4) In the event the revenue cabinet erroneously transfers funds to a claimant agency, the claimant agency shall immediately upon notification thereof reimburse the revenue cabinet for the amount erroneously transmitted to such agency. The revenue cabinet shall promptly refund to the taxpayer the appropriate amount of such returned funds with interest as provided in KRS 131.183(2).

SECTION 10. A NEW SECTION OF KRS CHAPTER 131 IS CREATED TO READ AS FOLLOWS:

(1) Any individual income tax refund determined as a consequence of taxpayers filing separate returns on a combined Kentucky individual income tax form may be apportioned by the revenue cabinet between the spouses based on the ratio of the adjusted gross incomes of each spouse to the total adjusted gross income. The amount of the refund computed to be due the spouse who is not indebted to the claimant agency shall be refunded by the revenue cabinet to such spouse. In the event such refunded amount has been transmitted to the claimant agency, the revenue cabinet shall recover such amount from the claimant agency as provided in Section 9(4) of this Act.

(2) Any individual income tax refund determined as a consequence of taxpayers filing a joint Kentucky individual income tax return shall be deemed as coupled together in interest or liability and shall be subject to transfer to a claimant agency in its entirety.

SECTION 11. A NEW SECTION OF KRS CHAPTER 131 IS CREATED TO READ AS FOLLOWS:

The revenue cabinet may promulgate rules and regulations necessary to develop, implement and administer the provisions of this Act.

SECTION 12. A NEW SECTION OF KRS CHAPTER 131 IS CREATED TO READ AS FOLLOWS:

There is hereby created within the revenue cabinet a state debt offset account, which will be subject to the provisions of the restricted fund group, as provided in KRS 48.010(13)(f), and all funds collected under Section 8(5) of this Act shall be credited thereto with only the expenses of the revenue cabinet related to development, implementation and administration of this Act to be paid therefrom. This account shall not lapse.

SECTION 13. A NEW SECTION OF KRS CHAPTER 131 IS CREATED TO READ AS FOLLOWS:

To defray the cost of development and implementation of this Act, there shall be credited to the state debt offset account an amount not to exceed $175,000, such amount to be derived from the amount of the Kentucky individual income tax refunds withheld under the provisions of this Act for undisputed delinquent taxes due the revenue cabinet.

SECTION 14. A NEW SECTION OF KRS CHAPTER 131 IS CREATED TO READ AS FOLLOWS:

Except as is necessary in order to comply with exchange of information agreements with the United States internal revenue service and notwithstanding the provisions of KRS 134.580 and 427.130, no Kentucky individual income tax refund shall be withheld for or transmitted to any other person, agency, officer, board, commission, corporation, institution, cabinet, department, or other organization except as provided by this Act."

SB 282, AN ACT relating to the Kentucky higher education student loan corporation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 164A.200 is amended to read as follows:

The Kentucky higher education student loan corporation has been duly created as an independent de jure municipal corporation and political subdivision of the Commonwealth of Kentucky. *As the corporation will in all respects be performing essential governmental and public functions, the corporation shall not be required to pay any taxes or assessments upon any of its property, real, personal, or mixed, nor upon the income therefrom; and bonds, notes or other obligations issued by the corporation under this chapter, the income thereon, and the transfer thereof, including any profit made on the sale thereof, shall at all times be exempt from taxation or assessment of any type by the Commonwealth, its agencies and departments, and by all political subdivisions within the state. Nothing contained in this chapter shall preclude or prevent the authorization and issuance by the corporation from time to time of bonds, notes or other obligations, the receipt of interest on which may be subject to federal income taxation* [~~Accordingly, the Kentucky higher education student loan corporation shall not be required to pay any taxes and assessments to the Commonwealth of Kentucky, or any county, municipality or other governmental subdivision of the Commonwealth of Kentucky, upon any of its property or upon its obligations or other evidences of indebtedness pursuant to the provisions of this chapter, or upon any moneys, funds, revenues or other income held or received by the corporation and the notes and bonds of the corporation and the income therefrom shall at all times be exempt from taxation, except for death and gift taxes and taxes of transfers; provided, however, that real property owned by the Kentucky higher education student loan corporation shall be exempt from all property taxation and special assessments of the state or political subdivisions thereof, but the corporation may agree to pay, in lieu of such taxes, such amounts as the corporation finds consistent with~~

~~the cost to the state or political subdivision of supplying municipal services to the corporation and maintaining the economic feasibility of the corporation which payments such bodies are hereby authorized to accept~~].

The Committee on Banking and Insurance reported **SB 221**, **SB 275** with Committee Amendment attached thereto, and **SB 336** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 221, AN ACT relating to revolving credit plans.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 287.710 is amended to read as follows:
As used in KRS 287.720 to 287.770, unless the context otherwise requires:
(1) "Bank" means a bank, trust company or combined bank and trust company organized under the laws of this state or of the United States, or any assignee of the bank's rights under a revolving credit plan.
(2) "Credit card" means any *single card, plate or other credit device that is reusable by a debtor from time to time to obtain extensions of credit under a revolving credit plan. Checks, drafts and similar instruments that can be used only once to obtain a single credit extension are not credit cards* [~~instrument or device, whether known as a credit card, credit plate, credit number or by any other name, issued for use in obtaining money, goods, services or anything else of value on credit~~].
(3) "Debtor" means a person to whom or for whose benefit credit is extended pursuant to a revolving credit plan and any other person having actual, implied or apparent authority to obtain extensions of credit under such plan for the debtor.
(4) To "extend credit" or "extension of credit" means the right granted by a bank to a debtor to defer payment of debt, incur debt and defer its payment, or purchase goods, services or anything else of value and defer payment therefor pursuant to a revolving credit plan.
(5) "Finance charge" means the sum of all charges, payable directly or indirectly by the debtor, and imposed directly or indirectly by a bank as an incident to an extension of credit pursuant to a revolving credit plan, including interest and any amount payable under a point, discount or other system of additional charges, service or carrying charges, loan fee, finder's fee or similar charge, fees for an investigation or credit report or premiums or other charges required by the bank to be purchased from or through it or an agency named by it for any guarantee or insurance protecting the bank against the debtor's default or other credit loss. The term does not include amounts, if any, collected by the bank, or included in the extension of credit which are fees and charges prescribed by law which actually are or will be paid to public officials for determining the existence of or for perfecting or releasing or satisfying any security related to credit extended pursuant to the plan or taxes.
(6) "Revolving credit plan" or "plan" means an arrangement between a bank and a debtor pursuant to which:
(a) The bank may extend credit to the debtor by permitting the debtor to make purchases of goods, services and anything else of value or obtain loans, from time to time, directly from the bank or indirectly by use of a credit card, check or other device, as the plan may provide;
(b) The unpaid balances of purchases made, the principal of loans obtained and finance and other appropriate charges are debited to the debtor's account;
(c) A finance charge, if made, is not pre-computed, but is computed on the outstanding unpaid balances of the debtor's account from time to time; and
(d) The bank renders bills or statements to the debtor at regular intervals, which need not be a calendar month (the "billing cycle"), the amount of which bills or statements is payable by and due from the debtor on a specified date stated in such bill or statement or, at the debtor's option, may be paid in installments.
Section 2. KRS 287.730 is amended to read as follows:
(1) For each billing cycle at the end of which there is an outstanding balance in the debtor's account or with respect to which a charge permitted by KRS 287.710 to 287.770 is imposed, the bank shall render a statement to the debtor containing, to the extent applicable, such information as may be required to be included therein pursuant to KRS 360.210 to 360.265 and Title I of the Federal Consumer Credit Protection Act of 1968 (Public Law 90-321) and any amendments, additions or replacements thereto in effect after June 16, 1972, and a legend to the effect that the debtor may at any time pay the aggregate balance owing by him or any part thereof.
(2) In the event of an extension of credit by a bank hereunder that is affected by the use of a credit card for the purchase of goods or services and that results in payment by the bank directly to a third party, the

finance charge as authorized by KRS 287.740 shall not be imposed upon the debtor on such extension if payment in full of the entire outstanding unpaid balances owing on the debtor's account is received at the place designated by the bank by the date of the statement for the next billing cycle.

Section 3. KRS 287.740 is amended to read as follows:

Notwithstanding the provisions of any other law, a bank may receive or contract to receive and collect a finance charge pursuant to a revolving credit plan in an amount not in excess of *one and three-fourths* [~~1 and 1/2~~] percent *(1 3/4%)* per month of either the average daily unpaid balance of the debtor's account under such plan during the billing cycle, or of the unpaid balance of such account on the same day of each billing cycle. If the billing cycle is other than monthly, the maximum finance charge for such billing cycle shall be the percentage which bears the same relation to *one and three-fourths* [~~1 and 1/2~~] percent *(1 3/4%)* as the number of days in the billing cycle bears to thirty (30). A variation of not more than four (4) days from billing cycle to billing cycle shall be deemed "the same day of each billing cycle."

Section 4. KRS 287.750 is amended to read as follows:

In addition to the charges provided in KRS 287.740, *a revolving credit plan may provide for the collection of fees not to exceed twenty dollars ($20) annually, and in addition, the following enumerated fees, charges and costs:*

(1) Delinquency charges not to exceed five dollars ($5) each month if payments required by the plan are not made when due;

(2) All fees and closing costs incurred in connection with the taking of a mortgage on real estate if bona fide and not retained by the bank; and

(3) Reasonable attorney's fees [~~not exceeding 15% of the unpaid balance~~] and court *costs* [~~cost may be collected~~] provided that the account is referred to an attorney not a salaried employe of the *bank or* holder for collection.

SB 275, AN ACT relating to corporations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 271A IS CREATED TO READ AS FOLLOWS:

As used in this Act:

(1) "Affiliate," including the term "affiliated person," means a person who directly, or indirectly through one (1) or more intermediaries, controls, or is controlled by, or is under common control with, a specified person.

(2) "Associate," when used to indicate a relationship with any person, means:

(a) Any corporation or organization (other than the corporation or a subsidiary of the corporation) of which such person is an officer, director or partner or is, directly or indirectly, the beneficial owner of ten percent (10%) or more of any class of equity securities;

(b) Any trust or other estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar fiduciary capacity; and

(c) Any relative or spouse of such person, or any relative of such spouse, any one (1) of whom has the same home as such person or is a director or officer of the corporation or any of its affiliates.

(3) "Beneficial owner," when used with respect to any voting stock, means a person:

(a) Who, individually or with any of its affiliates or associates, beneficially owns voting stock, directly or indirectly; or

(b) Who, individually or with any of its affiliates or associates has:

1. The right to acquire voting stock, whether such right is exercisable immediately or only after the passage of time and whether or not such right is exercisable only after specified conditions are met, pursuant to any agreement, arrangement, or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise;

2. The right to vote voting stock pursuant to any agreement, arrangement, or understanding; or

3. Any agreement, arrangement, or understanding for the purpose of acquiring, holding, voting or disposing of voting stock with any other person who beneficially owns, or whose affiliates or associates beneficially own, directly or indirectly, such shares of voting stock.

(4) "Business combination" means:

(a) Unless the merger or consolidation does not alter the contract rights of the stock as expressly set forth in the articles of incorporation or change or convert in whole or in part the outstanding shares of stock of the corporation, any merger or consolidation of the corporation or any subsidiary with any interested shareholder or any other corporation, whether or not itself an interested shareholder, which is, or after the merger or consolidation would be, an affiliate of an interested shareholder who was an interested shareholder

prior to the transaction;

(b) Any sale, lease, transfer, or other disposition, other than in the ordinary course of business, in one (1) transaction or a series of transactions in any twelve-month period, to any interested shareholder or any affiliate of any interested shareholder, other than the corporation or any subsidiaries, of any assets of the corporation or any subsidiary having, measured at the time the transaction or transactions are approved by the board of directors of the corporation, an aggregate book value as of the end of the corporation's most recently ended fiscal quarter of five percent (5%) or more of the total market value of the outstanding stock of the corporation or of its net worth as of the end of its most recently ended fiscal quarter;

(c) The issuance or transfer by the corporation, or any subsidiary, in one transaction or a series of transactions in any twelve-month period, of any equity securities of the corporation or any subsidiary which have an aggregate market value of five percent (5%) or more of the total market value of the outstanding stock of the corporation, determined as of the end of the corporation's most recently ended fiscal quarter prior to the first such issuance or transfer, to any interested shareholder or any affiliate of any interested shareholder, other than the corporation or any of its subsidiaries, except pursuant to the exercise of warrants or rights to purchase securities offered pro rata to all holders of the corporation's voting stock or any other method affording substantially proportionate treatment to the holders of voting stock;

(d) The adoption of any plan or proposal for the liquidation or dissolution of the corporation in which anything other than cash will be received by an interested shareholder or any affiliate of any interested shareholder; or

(e) Any reclassification of securities, including any reverse stock split; or recapitalization of the corporation; or any merger or consolidation of the corporation with any of its subsidiaries; or any other transaction which has the effect, directly or indirectly, in one transaction or a series of transactions, of increasing by five percent (5%) or more the proportionate amount of the outstanding shares of any class of equity securities of the corporation or any subsidiary which is directly or indirectly beneficially owned by any interested shareholder or any affiliate of any interested shareholder.

(5) "Common stock" means any stock other than preferred or preference stock.

(6) "Continuing director" means any member of the board of directors who is not an affiliate or associate of an interested shareholder or any of its affiliates, other than the corporation or any of its subsidiaries, and who was a director of the corporation prior to the time the interested shareholder became an interested shareholder, and any successor to such continuing director who is not an affiliate or associate of an interested shareholder or any of its affiliates, other than the corporation or any of its subsidiaries, and was recommended or elected by a majority of the continuing directors at a meeting at which a quorum consisting of a majority of the continuing directors is present.

(7) "Control," including the terms "controlling," "controlled by" and "under common control with," means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise, and the beneficial ownership of ten percent (10%) or more of the votes entitled to be case by a corporation's voting stock creates a presumption of control.

(8) "Equity security" means:

(a) Any stock or similar security, certificate of interest, or participation in any profit sharing agreement, voting trust certificate, or certificate of deposit for the foregoing;

(b) Any security convertible, with or without consideration, into an equity security, or any warrant or other security carrying any right to subscribe to or purchase an equity security; or

(c) Any put, call, straddle, or other option, right or privilege of acquiring an equity security from or selling an equity security to another without being bound to do so.

(9) "Interested shareholder" means any person, other than the corporation or any of its subsidiaries, who:

(a) Is the beneficial owner, directly or indirectly, of ten percent (10%) or more of the voting power of the outstanding voting stock of the corporation; or is an affiliate of the corporation and at any time within the two-year period immediately prior to the date in question was the beneficial owner, directly or indirectly, of ten percent (10%) or more of the voting power of the then outstanding voting stock of the corporation.

(b) For the purpose of determining whether a person is an interested shareholder, the number of shares of voting stock deemed to be outstanding shall include shares deemed owned by the person through application of subsection (3) of this section but shall not include any other shares of voting stock which may be issuable pursuant to any agreement, arrangement, or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

(10) "Market value" means:

(a) In the case of stock, the highest closing sale price during the thirty-day period immediately preceding the date in question of a share of such stock on the composite tape for New York stock exchange listed stocks, or, if such stock is not quoted on the composite tape, on the New York stock exchange, or if such stock is not listed on such exchange, on the principal United States securities exchange registered under the securities exchange act of 1934 on which such stock is listed, or, if such stock is not listed on any such

exchange, the highest closing bid quotation with respect to a share of such stock during the thirty-day period preceding the date in question on the national association of securities dealers, inc. Automated quotations system or any system then in use, or if no such quotations are available, the fair market value on the date in question of a share of such stock as determined by a majority of the continuing directors at a meeting of the board of directors at which a quorum consisting of at least a majority of the continuing directors is present; and

(b) In the case of property other than cash or stock, the fair market value of such property on the date in question as determined by a majority of the continuing directors at a meeting of the board of directors at which a quorum consisting of at least a majority of the continuing directors is present.

(11) "Subsidiary" means any corporation of which voting stock having a majority of the votes entitled to be cast is owned, directly or indirectly, by the corporation.

(12) "Voting stock" means shares of capital stock of a corporation entitled to vote generally in the election of directors.

SECTION 2. A NEW SECTION OF KRS CHAPTER 271A IS CREATED TO READ AS FOLLOWS:

(1) In addition to any vote otherwise required by law or the articles of incorporation of the corporation, a business combination shall be recommended by the board of directors and approved by the affirmative vote of at least:

(a) Eighty percent (80%) of the votes entitled to be cast by outstanding shares of voting stock of the corporation, voting together as a single voting group; and

(b) Two-thirds of the votes entitled to be cast by holders of voting stock other than voting stock beneficially owned by the interested shareholder who is, or whose affiliate is, a party to the business combination or by an affiliate or associate of such interested shareholder, voting together as a single voting group.

(2) Unless a business combination is exempted from the operation of this Act in accordance with the terms hereof, the failure to comply with the voting requirements of subsection (1) of this section shall render such business combination void.

SECTION 3. A NEW SECTION OF KRS CHAPTER 271A IS CREATED TO READ AS FOLLOWS:

(1) For purposes of subsection (2) of this section:

(a) "Announcement date" means the first general public announcement of the proposal or intention to make a proposal of the business combination or its first communication generally to shareholders of the corporation, whichever is earlier;

(b) "Determination date" means the date on which an interested shareholder first became an interested shareholder; and

(c) "Valuation date" means:

1. For a business combination voted upon by shareholders, the latter of the day prior to the date of the shareholders vote or the date twenty (20) days prior to the consummation of the business combination; and

2. For a business combination not voted upon by shareholders, the date of the consummation of the business combination.

(2) The vote required by Section 2 of this Act does not apply to a business combination if each of the following conditions is met:

(a) The aggregate amount of the cash and the market value as of the valuation date of consideration other than cash to be received per share by holders of common stock in such business combination is at least equal to the highest of the following:

1. The highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by the interested shareholder for any shares of common stock of the same class or series acquired by it:

a. Within the two-year period immediately prior to the announcement date of the proposal of the business combination; or

b. In the transaction in which it became an interested shareholder, whichever is higher; or

2. The market value per share of common stock of the same class or series on the announcement date or on the determination date, whichever is higher; or

3. The price per share equal to the market value per share of common stock of the same class or series determined pursuant to subparagraph 2. of this paragraph, multiplied by the fraction of:

a. The highest per share price, including any brokerage commissions, transfer taxes and soliciting dealers' fees, paid by the interested shareholder for any shares of common stock of the same class or series acquired by it within the two-year period immediately prior to the announcement date, over

b. The market value per share of common stock of the same class or series on the first day in such two-year period on which the interested shareholder acquired any shares of common stock.

(b) The aggregate amount of the cash and the market value as of the valuation date of consideration

other than cash to be received per share by holders of shares of any class or series of outstanding stock other than common stock is at least equal to the highest of the following, whether or not the interested shareholder has previously acquired any shares of a particular class or series of stock:

1. The highest per share price, including any brokerage commissions, transfer taxes and soliciting dealers' fees, paid by the interested shareholder for any shares of such class of stock acquired by it:

a. Within the two-year period immediately prior to the announcement date of the proposal of the business combination; or

b. In the transaction in which it became an interested shareholder, whichever is higher; or

2. The highest preferential amount per share to which the holders of shares of such class of stock are entitled in the event of any voluntary or involuntary liquidation, dissolution or winding up of the corporation; or

3. The market value per share of such class of stock on the announcement date or on the determination date, whichever is higher; or

4. The price per share equal to the market value per share of such class of stock determined pursuant to subparagraph 3. of this paragraph, multiplied by the fraction of:

a. The highest per share price, including any brokerage commissions, transfer taxes and soliciting dealers' fees, paid by the interested shareholder for any shares of any class of voting stock acquired by it within the two-year period immediately prior to the announcement date, over

b. The market value per share of the same class of voting stock on the first day in such two-year period on which the interested shareholder acquired any shares of the same class of voting stock.

(c) In making any price calculation under section (2) of this section, appropriate adjustments shall be made to reflect any reclassification, including any reverse stock split; recapitalization; reorganization; or any similar transaction which has the effect of reducing the number of outstanding shares of the stock. The consideration to be received by holders of any class or series of outstanding stock is to be in cash or in the same form as the interested shareholder has previously paid for shares of the same class or series of stock. If the interested shareholder has paid for shares of any class of stock with varying forms of consideration, the form of consideration for such class of stock shall be either cash or the form used to acquire the largest number of shares of such class or series of stock previously acquired by it.

(d) 1. After the interested shareholder has become an interested shareholder and prior to the consumation of such business combination:

a. There shall have been no failure to declare and pay at the regular date therefor any full periodic dividends, whether or not cumulative, on any outstanding preferred stock of the corporation;

b. There shall have been no reduction in the annual rate of dividends paid on any class or series of stock of the corporation that is not preferred stock, except as necessary to reflect any subdivision of the stock; and an increase in such annual rate of dividends as necessary to reflect any reclassification, including any reverse stock split; recapitalization; reorganization; or any similar transaction which has the effect of reducing the number of outstanding shares of the stock; and

c. The interested shareholder did not become the beneficial owner of any additional shares of stock of the corporation except as part of the transaction which resulted in such interested shareholder becoming an interested shareholder or by virtue of proportionate stock splits or stock dividends.

2. The provisions of sub-subparagraphs a. and b. of subparagraph 1. do not apply if no interested shareholder or an affiliate or associate of the interested shareholder voted as a director of the corporation in a manner inconsistent with such sub-subparagraphs and the interested shareholder, within ten (10) days after any act or failure to act inconsistent with such sub-subparagraphs, notifies the board of directors of the corporation in writing that the interested shareholder disapproves thereof and requests in good faith that the board of directors rectify such act or failure to act.

(e) After the interested shareholder has become an interested shareholder, the interested shareholder may not have received the benefit, directly or indirectly, except proportionately as a shareholder, of any loans, advances, guarantees, pledges or other financial assistance provided by the corporation or any of its subsidiaries, whether in anticipation of or in connection with such business combination or otherwise.

(3) (a) Whether or not such business combinations are authorized or consummated in whole or in part after the effective date of this Act or after the interested shareholder became an interested shareholder, the requirements of Section 2 of this Act do not apply to business combinations that specifically, generally, or generally by types, as to specifically identified or unidentified existing or future interested shareholders or their affiliates or associates, have been approved or exempted therefrom by resolution of the board of directors of the corporation:

1. Prior to two (2) months after the effective date of this Act or such earlier date as may be irrevocably established by resolution of the board of directors;

2. If involving transactions with a particular interested shareholder or its existing or future affiliates or associates, at any time prior to the time that the interested shareholder first became an interested shareholder; or

3. At any time if such business combination is approved by a majority of continuing directors at a *meeting of the board of directors at which a quorum consisting of at least a majority of the continuing directors is present.*

(b) Unless by its terms a resolution adopted under this subsection is made irrevocable, it may be altered or repealed by the board of directors, but this shall not affect any business combinations that have been consummated, or are the subject of an existing agreement entered into, prior to the alteration or repeal.

(4) (a) Unless the articles of incorporation or bylaws of the corporation specifically provide otherwise, the requirements of Section 2 of this Act do not apply to business combinations of a corporation that, on the effective date of this Act, had an existing interested shareholder, whether a business combination is with the existing shareholder or with any other person who becomes an interested shareholder, after the effective date of this Act, or their present or future affiliates, unless, at any time after the effective date of this Act, the board of directors of the corporation elects by resolution, adopted by a majority of the continuing directors at a meeting of the board of directors at which a quorum consisting of at least a majority of the continuing directors is present, to be subject, in whole or in part, specifically, generally, or generally by types, as to specifically identified or unidentified interested shareholders, to the requirements of Section 2 of this Act.

(b) The articles of incorporation or bylaws of the corporation may provide that if the board of directors adopts a resolution under paragraph (a) of this subsection, the resolution shall be subject to approval of the shareholders in the manner and by the vote specified in the articles of incorporation or the bylaws.

(c) An election under this subsection may be added to but may not be altered or repealed except by an amendment to the articles of incorporation adopted by a vote of shareholders meeting the requirements of subsection (5)(a)3. of this section.

(d) If a corporation elects under this subsection to be included within the provisions of this Act generally, without qualification or limitation, it shall file with the secretary of state articles of amendment including a copy of the resolution making the election and a statement describing the manner in which the resolution was adopted. The articles of amendment shall be executed in the manner required by KRS 271A.305.

(5) (a) Unless the articles of incorporation of the corporation provide otherwise, the requirements of Section 2 of this Act do not apply to any business combination of:

1. A corporation having fewer than one hundred (100) beneficial owners of its stock;

2. A corporation whose original articles of incorporation have a provision, or whose shareholders adopt an amendment to the articles of incorporation after the effective date of this Act by a vote of at least eighty percent (80%) of the votes entitled to be cast by outstanding shares of voting stock of the corporation, voting together as a single voting group and two-thirds of the votes entitled to be case by persons, if any, who are not interested shareholders of the corporation, voting together as a single voting group, expressly electing not to be governed by this Act; or

3. An investment company registered under the investment company act of 1940.

(b) For purposes of subparagraph 1. of this subsection, all shareholders of a corporation who have executed an agreement to which the corporation is an executing party governing the purchase and sale of stock of the corporation or a voting trust agreement governing stock of the corporation shall be considered a single beneficial owner of the stock covered by the agreement.

SECTION 4. A NEW SECTION OF KRS CHAPTER 271A IS CREATED TO READ AS FOLLOWS:

The provisions of this Act are in addition to and do not repeal any other provisions of KRS Chapter 271A that govern any corporate actions described in this Act; provided, that in the event of a direct conflict between any provision of this Act and any other provision of KRS Chapter 271A, the provision of this Act shall prevail.

Section 5. KRS 271A.400 is amended to read as follows:

(1) Any shareholder of a corporation shall have the right to dissent from any of the following corporate actions:

(a) Any plan of merger or consolidation to which the corporation is a party; or

(b) Any sale or exchange of all or substantially all of the property and assets of the corporation not made in the usual and regular course of its business, including a sale in dissolution, but not including a sale pursuant to an order of a court having jurisdiction in the premises or a sale for cash on terms requiring that all or substantially all of the net proceeds of sale be distributed to the shareholders in accordance with their respective interests within one (1) year after the date of sale*; or*

(c) Any transaction subject to the requirements of Section 2 of this Act or exempted by Section 3(2) of this Act.

(2) A shareholder may dissent as to less than all of the shares registered in his name. In that event, his rights shall be determined as if the shares as to which he has dissented and his other shares were registered in the names of different shareholders.

(3) *Unless the transaction is subject to the requirements of Section 2 of this Act or exempted by*

Section 3(2) of this Act, this section shall not apply to the shareholders of the surviving corporation in a merger if a vote of the shareholders of such corporation is not necessary to authorize such merger*;* [~~.~~] nor shall it apply to the holders of shares of any class or series if the shares of such class or series were listed on a national securities exchange on the date fixed to determine the shareholders entitled to vote at the meeting of shareholders at which a plan of merger or consolidation or a proposed sale or exchange of property and assets is to be acted upon unless the articles of incorporation of the corporation shall otherwise provide.

Section 6. KRS 271A.405 is amended to read as follows:

(1) Any shareholder electing to exercise such right of dissent shall file with the corporation, prior to or at the meeting of shareholders at which such proposed corporate action is submitted to a vote, a written objection to such proposed corporate action. If such proposed corporate action be approved by the required vote and such shareholder shall not have voted in favor thereof, such shareholder may, within ten (10) days after the date on which the vote was taken or if a corporation is to be merged without a vote of its shareholders into another corporation, any of its shareholders may, within fifteen (15) days after the plan of such merger shall have been mailed to such shareholders, make written demand on the corporation, or, in the case of a merger or consolidation, on the surviving or new corporation, domestic or foreign, for payment of the fair value of such shareholder's shares, and, if such proposed corporate action is effected, such corporation shall pay to such shareholder, upon surrender of the certificate or certificates representing such shares, the fair value thereof as of the day prior to the date on which the vote was taken approving the proposed corporate action, excluding any appreciation or depreciation in anticipation of such corporate action. Any shareholder failing to make demand within the ten-day period shall be bound by the terms of the proposed corporate action. Any shareholder making such demand shall thereafter be entitled only to payment as *provided* in this section [~~provided~~] and shall not be entitled to vote or to exercise any other rights of a shareholder.

(2) No such demand may be withdrawn unless the corporation shall consent thereto. If, however, such demand shall be withdrawn upon consent, or if the proposed corporate action shall be abandoned or rescinded or the shareholders shall revoke the authority to effect such action, or if, in the case of a merger, on the date of the filing of the articles of merger the surviving corporation is the owner of all the outstanding shares of the other corporations, domestic and foreign, that are parties to the merger, or if no demand or petition for the determination of fair value by a court shall have been made or filed within the time provided in this section, or if a circuit court shall determine that such shareholder is not entitled to the relief provided by this section, then the right of such shareholder to be paid the fair value of his shares shall cease and his status as a shareholder shall be restored, without prejudice to any corporate proceedings which may have been taken in the interim.

(3) Within ten (10) days after such corporate action is effected, the corporation, or, in the case of a merger or consolidation, the surviving or new corporation, domestic or foreign, shall give written notice thereof to each dissenting shareholder who has made demand as herein provided, and shall make a written offer to each such shareholder to pay for such shares at a specified price deemed by such corporation to be the fair value thereof. Such notice and offer shall be accompanied by a balance sheet of the corporation the shares of which the dissenting shareholder holds, as of the latest available date and not more than twelve (12) months prior to the making of such offer, and a profit and loss statement of such corporation for the twelve (12) months period ended on the date of such balance sheet.

(4) If within thirty (30) days after the date on which such corporate action was effected the fair value of such shares is agreed upon between any such dissenting shareholder and the corporation, payment therefor shall be made within ninety (90) days after the date on which such corporate action was effected, upon surrender of the certificate or certificates representing such shares. Upon payment of the agreed value the dissenting shareholder shall cease to have any interest in such shares.

(5) If within such period of thirty (30) days a dissenting shareholder and the corporation do not so agree, then the corporation, within thirty (30) days after receipt of written demand from any dissenting shareholder given within sixty (60) days after the date on which such corporate action was effected, shall, or at its election at any time within such period of sixty (60) days may, file a petition in the circuit court in the county in this state where the registered office of the corporation is located requesting that the fair value of such shares be found and determined. If, in the case of a merger or consolidation, the surviving or new corporation is a foreign corporation without a registered office in this state, such petition shall be filed in the county where the registered office of the domestic corporation was last located. If the corporation shall fail to institute the proceeding as herein provided, any dissenting shareholder may do so in the name of the corporation. All dissenting shareholders, wherever residing, shall be made parties to the proceeding as an action against their shares quasi in rem. The corporation shall either*:*

(a) Cause a copy of the petition to be served on each dissenting shareholder, or

(b) Mail a copy of the petition to each dissenting shareholder by certified mail addressed to each shareholder at his last address as it appears on the stock transfer books of the corporation, with postage thereon prepaid.

In addition, each dissenting shareholder shall be served in accordance with law. The jurisdiction of the court shall be plenary and exclusive. All shareholders who are parties to the proceeding shall be entitled to judgment against the corporation for the amount of the fair value of their shares.

(6) From any final judgment, rendered by a circuit court in any such action, an appeal may be taken to and heard by the Court of Appeals, in the manner provided in the rules of civil procedure.

(7) The circuit court may, if it so elects, appoint one (1) or more persons as appraisers to receive evidence and recommend a decision on the question of fair value. The appraisers shall have such power and authority as shall be specified in the order of their appointment or an amendment thereof. The judgment shall be payable only upon and concurrently with the surrender to the corporation of the certificate or certificates representing such shares. Upon payment of the judgment, the dissenting shareholder shall cease to have any interest in such shares.

(8) The judgment shall include an allowance for interest at such rate as the court may find to be fair and equitable in all the circumstances, from the date on which the vote was taken on the proposed corporate action to the date of payment.

(9) The costs and expenses of any such proceeding shall be determined by the court and shall be assessed against the corporation, but all or any part of such costs and expenses may be apportioned and assessed as the court may deem equitable against any or all of the dissenting shareholders who are parties to the proceeding to whom the corporation shall have made an offer to pay for the shares if the court shall find that the action of such shareholders in failing to accept such offer was arbitrary or vexatious or not in good faith. Such expenses shall include reasonable compensation for and reasonable expenses of the appraisers, but shall exclude the fees and expenses of counsel for and experts employed by any party; but if the fair value of the shares as determined materially exceeds the amount which the corporation offered to pay therefor, or if no offer was made, the court in its discretion may award to any shareholder who is a party to the proceeding such sum as the court may determine to be reasonable compensation to any expert or experts employed by the shareholder in the proceeding.

(10) Within twenty (20) days after demanding payment for his shares, each shareholder demanding payment shall submit the certificate or certificates representing his shares to the corporation for notation thereon that such demand has been made. His failure to do so shall, at the option of the corporation, terminate his rights under this section unless a circuit court for good and sufficient cause shown shall otherwise direct. If shares represented by a certificate on which notation has been so made shall be transferred, each new certificate issued therefor shall bear similar notation, together with the name of the original dissenting holder of such shares, and a transferee of such shares shall acquire by such transfer no rights in the corporation other than those which the original dissenting shareholder had after making demand for payment of the fair value thereof.

(11) Shares acquired by a corporation pursuant to payment of the agreed value therefor or to payment of the judgment entered therefor, as *provided* in this section [~~provided~~], may be held and disposed of by such corporation as in the case of other treasury shares, except that, in the case of a merger or consolidation, they may be held and disposed of as the plan of merger or consolidation may otherwise provide.

(12) In any transaction subject to the requirements of Section 2 of this Act or exempted by Section 3(2) of this Act, fair value shall be at least an amount in cash equal to the amount required to be paid under Section 3(2) of this Act in order to be exempt from the requirements of Section 2 of this Act.

The Committee Amendment No. 1 to **SB 275** is as follows:

Amend printed copy of **SB 275**, on page 17, line 26, and page 18, line 1, by deleting "*one hundred (100)*" and inserting "*five hundred (500)*" in lieu thereof; and

On page 18, by deleting lines 13 and 14 in their entirety and inserting the following in lieu thereof:

"*3. An investment company registered under the federal Investment Company Act of 1940, as amended; a bank or a bank holding company as defined in the federal Bank Holding Company Act of 1956, as amended; a savings and loan holding company as defined in the federal Savings and Loan Holding Company Amendments of 1967, as amended; and a domestic insurer as defined under KRS 304.1-070.*"

SB 336, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF SUBTITLE 14 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

(1) No insurer shall pay, reimburse, or otherwise compensate any insured under any health insurance contract until it receives from the provider of health care services an itemized statement detailing services received.

(2) Each provider of health care services shall furnish the insured and the insurer an itemized statement of services rendered to the insured with the statement of charges. The itemized statement shall be in laymen's terms and printed on a flesch scale of not less than fifty (50).

(3) There shall be no liability on the part of and no cause of action of any nature shall rise against any provider of health care services or any insurer, or its agents or employes, for disclosure of and dissemination of the itemized statement as required by subsection (1) of this section.

(4) The term "provider of health care services" for purposes of this Act means any physician, hospital or other person who is licensed in this state to furnish health care services.

SECTION 2. A NEW SECTION OF SUBTITLE 32 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

(1) No nonprofit hospital, medical-surgical, dental or health service corporation shall pay, reimburse, or compensate any member or subscriber or any provider of health care services for services rendered to any member or subscriber until it receives from the provider of health care services an itemized statement detailing services received by the member or subscriber.

(2) Each provider of health care services shall furnish the member and the nonprofit hospital, medical-surgical, dental or health service corporation an itemized statement of services rendered to the member with the statement of charges. The itemized statement shall be in laymen's terminology and printed on a flesch scale of not less than fifty (50).

(3) There shall be no liability on the part of and no cause of action of any nature shall rise against any provider of health care services, any nonprofit hospital, medical-surgical, dental or health service corporation, or its agents or employes, for disclosure of and dissemination of the itemized statement required by subsection (1) of this section.

(4) The term "provider of health care services" for purposes of this Act means any physician, hospital or other person who is licensed in this state to furnish health care services.

SECTION 3. A NEW SECTION OF SUBTITLE 38 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

(1) No health maintenance organization shall pay, reimburse, or compensate any member or subscriber or any provider of health care services for services rendered to any enrollee until it receives from the provider of health care services an itemized statement detailing services received by the member or subscriber.

(2) Each provider of health care services shall furnish the subscriber and the health maintenance organization an itemized statement of services rendered to the subscriber with its statement of charges. The itemized statement shall be in laymen's terminology and printed on a flesch scale of not less than fifty (50).

(3) There shall be no liability on the part of and no cause of action of any nature shall rise against any provider of health care services, any health maintenance organization organized under KRS 304.38-010 et seq., or its agent or employes, for disclosure of and dissemination of the itemized statement as required by subsection (1) of this section.

(4) The term "provider of health care services" for purposes of this Act means any physician, hospital or other person who is licensed in this state to furnish health care services.

The Committee Amendment No. 1 to **SB 336** is as follows:

Amend printed copy of **SB 336**, on page 1, line 5, after "*the*" by deleting the following language: "*provider of health care services*";

And on page 1, line 5, after "*the*" by adding the following language: "*health care facility*";

And on page 1, line 8, after "*Each*" by deleting the following language: "*provider of health care services*";

And on page 1, line 8, after "*Each*" by adding the following language: "*health care facility*";

And on page 1, line 11, after "*charges.*" by adding the following language: "*Each physician licensed to practice medicine in this state shall provide such itemized statement to the insured patient upon request of the patient.*";

And on page 1, line 12, after "*terms*" by deleting the following language: "*and printed on a flesch scale of not less than fifty (50)*";

And on page 1, line 16, by deleting the following language: "*provider of health care services*";

And on page 1, line 16, by adding the following language at the beginning of the line: "*health care facility*";

And on page 1, line 20, after "*term*" by deleting the following language: "*'provider of health services' for purposes of this Act means any physician, hospital or other person who is licensed in this state to furnish health services.*";

And on page 1, line 20, after "*term*" by adding the following language: "*'health care facility' means any institution providing health care services which is licensed in this state, including, but not limited to, institutions, whether public or private, engaged principally in providing services for health maintenance organizations, or diagnosis or treatment of human disease, pain, injury, deformity or physical condition, including, but not limited to, a general hospital, special hospital, mental hospital, public health center, diagnostic center, treatment center, rehabilitation center, tuberculosis hospital, chronic disease hospital, maternity hospital, outpatient clinic, home health care agency, vioanalytical laboratory or central services facility.*";

And on page 2, line 7, after "*any*" by deleting the following language: "*provider of health care services*";

And on page 2, line 7, after "*any*" by adding the following language: "*health care facility*";

And on page 2, line 9, after "*the*" by deleting the following language: "*provider of health care services*";

And on page 2, line 9, after "*the*" by adding the following language: "*health care facility*";

And on page 2, line 12, after "*Each*" by deleting the following language: "*provider of health care services*";

And on page 2, line 12, after "*Each*" by adding the following language: "*health care facility*";

And on page 2, line 16, after "*charges.*" by adding the following language: "*Each physician licensed to practice medicine in this state shall provide such itemized statement to the insured patient upon request of the patient.*";

And on page 2, line 17, after "*terminology*" by deleting the following language: "*and printed on a flesch scale of not less than fifty (50)*";

And on page 2, line 21, by deleting the following language: "*provider of health care services*";

And on page 2, line 21, by adding the following language at the beginning of the line: "*health care facility*";

And on page 2, line 26, after "term" by deleting the rest of line 26 through page 3, the end of line 3, and inserting in lieu thereof: "*'health care facility' means any institution providing health care services which is licensed in this state, including, but not limited to, institutions, whether public or private, engaged principally in providing services for health maintenance organizations, or diagnosis or treatment of human disease, pain, injury, deformity or physical condition, including, but not limited to, a general hospital, special hospital, mental hospital, public health center, diagnostic center, treatment center, rehabilitation center, tuberculosis hospital, chronic disease hospital, maternity hospital, outpatient clinic, home health care agency, vioanalytical laboratory or central services facility.*";

And on page 3, line 8, by deleting the following language: "*provider of health care services*";

And on page 3, line 8, by adding the following language at the beginning of the line: "*health care facility*";

And on page 3, line 9 through 10, after "the" by deleting the following language: "*provider of health care services*";

And on page 3, line 9 through 10, after "*the*" by inserting the following language: "*health care facility*";

And on page 3, line 12, after "*Each*" by deleting the following language: "*provider of health care services*";

And on page 3, line 12, after "*Each*" by adding the following language: "*health care facility*";

And on page 3, line 15, after "*charges.*" by inserting the following language: "*Each physician licensed to practice medicine in this state shall provide such itemized statement to the insured patient upon request of the patient.*"

And on page 3, line 16, after "terminology" by deleting the following language: "*and printed on a flesch scale of not less than fifty (50)*";

And on page 3, line 20, by deleting the following language: "*provider of health care services*" and inserting in lieu thereof the following language: "*health care facility*";

And on page 3, line 25, after "*term*" by deleting the rest of that line through page 4, the end of line 2, and inserting in lieu thereof: "*'health care facility' means any institution providing health care services which is licensed in this state, including, but not limited to, institutions, whether public or private, engaged principally in providing services for health maintenance organizations, or diagnosis or treatment of human disease, pain, injury, deformity or physical condition, including, but not limited to, a general hospital, special hospital, mental hospital, public health center, diagnostic center, treatment center, rehabilitation center, tuberculosis hospital, chronic disease hospital, maternity hospital, outpatient clinic, home health care agency, bioanalytical laboratory or central services facility.*"

Calendar

SB 212, SB 236, SB 265, SB 267, HB 989, HR 126, HCR 122, SB 356, SB 306, SB 317, SB 333, SB 339, SCR 45, SB 58, SB 83, SB 285, SB 298, SB 300, SB 330, SB 262, SB 302, SB 305, HB 861, SB 71, SB 116, SB 136, SB 145, SB 153, SB 158, SB 163, SB 343, and **HR 104** taken from the Calendar and ordered read at length for the second time. Representative LeMaster moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Senate Message

Announcing passage of **HB 139** with Senate Amendment, **HB 176** with Senate Amendment, **HB 524** with Senate Amendment, **HB 670** with Senate Amendment, **HB 589,** and **HCR 53.**

Orders of the Day

Representative LeMaster moved that the rules be suspended for action on a Legislative Citation. Agreed.

Representative Cyrus moved the adoption of Legislative Citation No. 102. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Greenup County High School Varsity Cheerleaders, and your excellent sponsor Ms. Susan Fosson, on your outstanding performance by finishing first in the National High School Cheerleader Championship competition in Orlando, Florida on March 4, 1984. This is the fourth consecutive time in five tries that you have taken top honors in major competition, which is most noteworthy. You earned the right to compete in Orlando by taking first place in November in a regional competition in Oxford, Ohio. Ms. Fosson, your exceptional leadership and high standard of performance requiring the best at all times are most exemplary, productive and rewarding. Your exceptional skills and techniques provide an adequate base for your effective participation companioned by school loyalty and community service. We extend best wishes to Karen Rowe, Stephanie Kouns, Mitzi Cade, Kim Hunt, Rhonda Taylor, Jennie Darnell, Erin Patterson, Missy Nolte, Toni Markins, Beth Garthee, Debbie Nolte, Terri Johnson, Kelly Earwood, Robin Greene and Missy Salisbury, on your fine display of leadership and enthusiastic school spirit.

This prestigious body salutes you for your high level of performance and wishes you continuous victories. (Sponsored by Representative Cyrus)

Representative Foster moved the adoption of Legislative Citation No. 127. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Logan County High School Boys' Basketball Team and their exceptional Coach, Gerald Sinclair, championship winners of the "Sweet Sixteen" State Tournament at Rupp Arena in Lexington, Kentucky, March 17, 1984. Your excellent season record of 37-3 reflects hard work, school loyalty, competitive spirit and a positive team effort. Your outstanding victory is an expressed manifestation of your high level of performance. We commend you, Logan County "Cougers" for a victorious season.

This prestigious body salutes and applauds you for your demonstration of leadership, sportsmanship and superb athletic abilities as you captured this most noteworthy title. You have bestowed great honor and pride on your school, community and the Commonwealth of Kentucky. (Sponsored by Representative Foster)

Representative Heleringer moved the adoption of Legislative Citation No. 126. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby honors Miss Diane Heleringer, the lovely daughter of Mr. and Mrs. Robert C. Heleringer of Louisville, Kentucky, for recently being selected as a 1984 "Outstanding High School Journalist Award" recipient by the Department of Mass Communications at Eastern Kentucky University. A senior at Sacred Heart Academy, you were nominated for this award by a committee of faculty members at your school. While a student at Sacred Heart Academy, your scholastic achievements have brought great pride to your school and family. Your 3.8 grade point average, a National Honor Society finalist, participation on the Math team and French club, co-editor of the school newspaper and year book, is exemplary of your exceptional leadership abilities. Being named to Who's Who Among American High School students is especially noteworthy. Your dedication to community service is most commendable and evidenced by your long hours of work at the Humana Hospital Suburban. Your five scholarship offers from universities across the nation is indicative of your academic achievement. This auspicious body extends our best wishes to you as you attend the awards banquet and receive your certificate from John Carroll, Editor, *Lexington Herald-Leader* on March 22, 1984.

We salute and applaud you for this impressive honor and extend our best wishes as you pursue your career ambitions and may college offer you the greatest of challenges in your future endeavors. (Sponsored by Representative Heleringer)

HB 974 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Hancock moved that **HB 974** be passed.

On the roll call the vote was yeas 80-Arnold, Barrows, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Craddock, Crupper, Curd, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Johnson, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Noe, Noland, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Worthington, Yates. Nays 1-Allen.

HB 974 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 974** was passed be reconsidered and said motion be placed on the table. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 17, SB 101, SB 173, SB 233,** and **SB 257** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time-2:50 p.m.)

Orders of the Day (continued)

HB 888 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Deskins moved that **HB 888** be passed.

On the roll call the vote was yeas 84-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Van Horn, Williams, Worthington. Nays 7-Allen, Fryman, Moore, Patrick, Robinson, Turner, White.

HB 888 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 888** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 1011, with Committee Substitute and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Smith moved the adoption of the Committee Substitute to **HB 1011**. Agreed.

Representative B. Smith moved that **HB 1011**, by way of Committee Substitute, be passed.

On the roll call the vote was yeas 88-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 1011, by way of Committee Substitute, was passed.

Representative B. Smith moved the adoption of the Floor Title Amendment to the Committee Substitute to **HB 1011**. Agreed.

Representative LeMaster moved that the vote by which **HB 1011**, by way of Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Representative Donnermeyer moved that **HB 984** be recommitted to the Committee on Appropriations and Revenue. Agreed.

HB 916, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Lundergan moved the adoption of the Committee Amendment No. 1 to **HB 916**. Agreed.

Representative Lundergan moved that **HB 916**, as amended, be passed.

On the roll call the vote was yeas 92-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 1-Seum.

HB 916, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 916,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 775 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Moberly moved that **HB 775** be passed.

On the roll call the vote was yeas 75-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Caldwell, Clapp, L. Clark, P.Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Ford, Foster, Gedling, Handy, Harper, Head, Hines, Holbrook, Johnson, T. Jones, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Seum, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Yates. Nays 9-Allen, Farrow, Freibert, Hancock, Patrick, Rattliff, Robinson, B. Smith, Turner.

HB 775 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 775** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 797 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cyrus moved that **HB 797** be passed.

On the roll call the vote was yeas 80-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Harper, Head, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kidd, Lefevers, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, White, Williams, Worthington, Yates. Nays 7-Allen, Endicott, Heleringer, Layman, Lile, Moore, Turner.

HB 797 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 797** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 931, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its massage. Agreed by a majority of members elected.

Representative Head moved the adoption of the Committee Amendment No. 1 to **HB 931.** Agreed.

Representative Head moved that **HB 931**, as amended, be passed.

On the roll call the vote was yeas 93-Allen, Arnold, Barrows, Bendl, Bennett, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 931, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 931**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 941, with Committee Substitute and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative T. Jones moved the adoption of the Committee Substitute to **HB 941**. Agreed.

Representative T. Jones moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **HB 941**. Agreed.

Representative T. Jones moved that **HB 941**, by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 87-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Ford, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Harper, Head, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 1-Heleringer.

HB 941, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 941**, by way of Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HCR 90 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Harper moved that **HCR 90** be passed.

On the roll call the vote was yeas 85-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, L. Clark, P. Clark, Cline, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Johnson, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Nett, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HCR 90 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HCR 90** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 968 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Noland moved that **HB 968** be passed.

On the roll call the vote was yeas 81-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, L. Clark, P. Clark, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Johnson, Kenton, Layman, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Nett, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

HB 968 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 968** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 714, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Blevins moved the adoption of the Committee Substitute to **HB 714.** Agreed.

Representative Blevins moved that **HB 714,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 79-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, L. Clark, P. Clark, Cline, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Ford, Foster, Freibert, Gedling, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, Kenton, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Mann, McBee, McNutt, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 1-Ellington.

HB 714, by way of Committee Substitute, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 714,** by way of Committee Substitute, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 819, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Crupper moved that **HB 819** be passed.

Representative Morris moved the adoption of the Floor Amendment No. 3 to **HB 819.** Rejected.

On the roll call the vote was yeas 55-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Clapp, L. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Foster, Gedling, Gray, Hancock, Handy, Hines, Johnson, R. Jones, T. Jones, Kenton, LeMaster, List, Long, Lundergan, Maggard, Mann, McBee, Meyer, Moberly, Nett, Noe, O'Brien, Pearman, Perkins, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, B. Smith, F. Smith, Stone, Stumbo, Van Horn, Williams, Worthington, Yates. Nays 32-Allen, Bronger, Brown, Burch, Caldwell, P. Clark, Clarke, Ellington, Endicott, Ford, Freibert, Fryman, Guenthner, Harper, Head, Heleringer, Layman, Lefevers, Lile, McElroy, McNutt, Moore, Noland, Patrick, Rattliff, Reinhardt, Riner, Robinson, Seum, Todd, Turner, White.

HB 819 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 819** was passed be reconsidered and said motion be placed on the table. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 26, HB 123, HB 196, HB 240, HB 310, HB 330, HB 571, HB 589, HB 610,** and **HCR 53** had been examined and found correctly enrolled. Said Bills and Resolution read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time-3:25 p.m.)

HB 26, HB 123, HB 196, HB 240, HB 310, HB 330, HB 571, HB 589, HB 610, and **HCR 53** delivered to the Senate, signed by the President. Ordered delivered to the Governor.

Orders of the Day (continued)

HB 880 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cowan moved that **HB 880** be passed.

On the roll call the vote was yeas 80-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Crupper, Curd, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Harper, Head, Heleringer, Holbrook, R. Jones, T. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 880 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 880** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 660, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Harper moved the adoption of the Committee Amendment No. 1 to **HB 660.** Agreed.

Representative Harper moved that **HB 660,** as amended, be passed.

Representative Van Horn moved the adoption of the Floor Amendment No. 1 to **HB 660.** Rejected.

Representative Harper moved that **HB 660,** as amended, be passed.

On the roll call the vote was yeas 89-Allen, Arnold, Barrows, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 660, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 660,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 786, with Committee Substitute and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Lundergan moved the adoption of the Committee Substitute to **HB 786**. Agreed.

Representative Burnette moved the adoption of the Floor Amendment No. 2 to the Committee Substitute to **HB 786**. Agreed.

Representative McElroy moved the adoption of the Floor Amendment No. 3 to the Committee Substitute to **HB 786**. Agreed.

Representative Crupper moved the adoption of the Floor Amendment No. 5 to the Committee Substitute to **HB 786**. Agreed.

Representative Lundergan moved that **HB 786**, by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 59-Arnold, Barrows, Bendl, Blandford, Blevins, Brinkley, Brown, Caldwell, Clarke, Cowan, Craddock, Cyrus, Deskins, Donnermeyer, Endicott, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, LeMaster, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, O'Brien, Overstreet, Pearman, Perkins, Petty, Reinhardt, Richards, B. Richardson, B. Smith, Stone, Stumbo, Thomas, Thomason, White, Worthington. Nays 36-Allen, Bennett, Bronger, Bruce, Burch, Burnette, L. Clark, P. Clark, Cline, Crupper, Dawahare, Dunn, Ellington, Farrow, Ford, Fryman, Head, Heleringer, Layman, Lefevers, Lile, Moore, Noe, Patrick, Priddy, Rapier, Rattliff, P. Richardson, Riner, Robinson, Seum, Todd, Turner, Van Horn, Williams, Yates.

HB 786, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 786**, by way of Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Senate Message

Announcing passage of **SB 47** and **SB 324**.

Orders of the Day (continued)

Speaker Pro Tempore Blandford presiding.

HB 845 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Bendl moved that **HB 845** be passed.

On the roll call the vote was yeas 77-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Curd, Cyrus, Dawahare, Donnermeyer, Endicott, Farrow, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Long, Lundergan, Mann, McBee, McElroy, McNutt, Moberly, Morris, Nett, Noe, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 1-Ellington.

HB 845 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 845** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 522 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Moberly moved that **HB 522** be passed.

On the roll call the vote was yeas 65-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Burch, Caldwell, L. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Foster, Freibert, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, T. Jones, Kenton, Kidd, Lile, Little, Lundergan, Maggard, Mann, McBee, McElroy, Moberly, Nett, Noe, O'Brien, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, P. Richardson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Williams, Worthington, Yates. Nays 18-Brown, Bruce, Burnette, Curd, Ellington, Fryman, Gedling, Layman, Lefevers, McNutt, Morris, Noland, Overstreet, Pearman, Rattliff, Robinson, Turner, White.

HB 522 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 522** was passed be reconsidered and said motion be placed on the table. Agreed.

Representative LeMaster moved that **HB 877** be recommitted to the Committee on Natural Resources and Environment. Agreed.

HB 991 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Crupper moved that **HB 991** be passed.

On the roll call the vote was yeas 81-Arnold, Barrows, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, L. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, T. Jones, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Seum, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 4-Ellington, Fryman, McNutt, Robinson.

HB 991 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 991** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 901, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Lundergan moved the adoption of the Committee Amendment No. 1 to **HB 901**. Agreed.

Representative Lundergan moved the adoption of the Floor Amendment No. 1 to **HB 901**. Agreed.

Representative Lundergan moved that **HB 901**, as amended, be passed.

On the roll call the vote was yeas 81-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Richards, P. Richardson, Riner, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Worthington, Yates. Nays 7-Allen, Burch, Reinhardt, Robinson, Seum, Todd, Turner.

HB 901, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 901**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Representative LeMaster moved that **HB 292** be recommitted to the Committee on Banking and Insurance. Agreed.

HB 925 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed. by a majority of members elected.

Representative Lundergan moved that **HB 925** be passed.

On the roll call the vote was yeas 78-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, L. Clark, Cline, Cowan, Craddock, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Freibert, Fryman, Gray, Hancock, Harper, Head, Heleringer, Hines, Holbrook, Johnson, Kenton, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, Stone, Stumbo, Thomason, Todd, Van Horn, White, Worthington, Yates. Nays 8-Burch, Guenthner, Holloway, R. Jones, T. Jones, Mann, Thomas, Turner.

HB 925 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 925** was passed be reconsidered and said motion be placed on the table. Agreed.

Representative Robinson moved that the Floor Amendment No. 3 to **HB 60** be withdrawn. Agreed.

HB 60, with Committee Substitute and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative F. Smith moved the adoption of the Committee Substitute to **HB 60.** Agreed.

Representative F. Smith moved the adoption of the Floor Amendment No. 2 to the Committee Substitute to **HB 60.** Agreed.

Representative F. Smith moved that **HB 60,** by way of Committee Substitute as amended, be passed.

Representative Nett moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **HB 60.** Rejected.

Representative F. Smith moved that **HB 60,** by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 81-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, L. Clark, Clarke, Cowan, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Noland, O'Brien, Overstreet, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, Worthington, Yates. Nays 1-Pearman.

HB 60, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 60,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 857, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Stumbo moved the adoption of the Floor Amendment No. 1 to **HB 857**. Agreed.

Representative Stumbo moved that **HB 857**, as amended, be passed.

On the roll call the vote was yeas 86-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noland, O'Brien, Overstreet, Pearman, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, White, Worthington, Yates. Nays 2-Perkins, Turner.

HB 857, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 857**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 3 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Arnold moved that **SB 3** be passed.

On the roll call the vote was yeas 86-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Worthington, Yates. Nays 1-Mann.

SB 3 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 3** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 54 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clarke moved that **SB 54** be passed.

On the roll call the vote was yeas 60-Bennett, Blandford, Brinkley, Bronger, Caldwell, L. Clark, Clarke, Cline, Cowan, Craddock, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Farrow, Ford, Foster, Freibert, Gedling, Gray, Hancock, Handy, Harper, Head, Holbrook, Holloway, Johnson, R. Jones, Lefevers, LeMaster, Little, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Meyer, Moberly, Nett, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, Robinson, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Worthington. Nays 17-Arnold, Blevins, Brown, Burch, Crupper, Curd, Fryman, Heleringer, Hines, T. Jones, Kidd, Lile, Mann, Moore, Morris, Noe, Yates.

SB 54 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 54** was passed be reconsidered and said motion be placed on the table. Agreed.

Senate Message

Announcing passage of **SB 354, SB 374, HB 20, HB 220, HB 241, HB 314, HB 371, HB 465, HB 492, HB 494, HB 507, HB 552, HB 555, HB 616, HB 653, HB 728, HB 780,** and **HB 821**.

Orders of the Day (continued)

SB 4, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Johnson moved the adoption of the Committee Amendment No. 1 to **SB 4.** Agreed.

Representative Johnson moved that **SB 4,** as amended, be passed.

On the roll call the vote was yeas 68-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, L. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dunn, Ellington, Farrow, Ford, Foster, Freibert, Gray, Hancock, Handy, Head, Heleringer, Hines, Holbrook, Johnson, T. Jones, Kenton, Lefevers, LeMaster, Lile, Long, Lundergan, Maggard, McBee, McElroy, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, B. Smith, Stone, Stumbo, Thomason, Van Horn, Worthington, Yates. Nays 6-Donnermeyer, Gedling, Mann, McNutt, Pearman, Thomas.

SB 4, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 4,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Recess

Representative LeMaster moved that the House recess for five minutes for a meeting of the Committee on Rules. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day (continued)

SB 84 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Stone moved that **SB 84** be passed.

On the roll call the vote was yea 75-Allen, Arnold, Barrows, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Caldwell, Clapp, L. Clark, Clarke, Cline, Cowan, Crupper, Curd, Dawahare, Donnermeyer, Dunn, Ellington, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Guenthner, Hancock, Handy, Harper, Hines, Kenton, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, Worthington, Yates. Nays 0.

SB 84 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 84** was passed by reconsidered and said motion be placed on the table. Agreed.

SB 46, with Committee Substitute and Floor Amendments attached thereto, taken from orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Thomason moved the adoption of the Committee Substitute to **SB 46.** Agreed.

Representative F. Smith moved the adoption of the Floor Amendment No. 1 to **SB 46.** Rejected.

Representative Thomason moved that **SB 46,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 64-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Dawahare, Donnermeyer, Ellington, Endicott, Ford, Foster, Gedling, Hancock, Handy, Harper, Head, Hines, T. Jones, Kenton, Kidd, Lile, List, Long, Lundergan, Maggard, McBee, McNutt, Moberly, Noe, Noland, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, Williams, Yates. Nays 18-Allen, Craddock, Deskins, Fryman, Gray, Guenthner, Holbrook, Layman, Lefevers, Mann, McElroy, Moore, Overstreet, Pearman, B. Smith, F. Smith, White, Worthington.

SB 46, by way of Committee Substitute, was passed and the title agreed to.

Representative Thomason moved that the vote by which **SB 46,** by way of Committee Substitute, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 232, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative List moved the adoption of the Committee Amendment No. 1 to **SB 232.** Agreed.

Representative LeMaster moved that **SB 232,** as amended, be passed.

On the roll call the vote was yeas 53-Bendl, Blandford, Brinkley, Bronger, Brown, Caldwell, Clapp, L. Clark, Clarke, Cline, Cowan, Curd, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Foster, Gray, Handy, Harper, Head, Heleringer, Hines, Holbrook, Kenton, Kidd, LeMaster, Lile, List, Little, Long, Lundergan, Mann, McBee, McNutt, Meyer, Nett, Noe, O'Brien, Pearman, Perkins, Petty, Priddy, Rattliff, Richards, B. Richardson, Stone, Stumbo, Thomason, Williams, Worthington, Yates. Nays 39-Allen, Arnold, Barrows, Bennett, Blevins, Bruce, Burnette, P. Clark, Craddock, Crupper, Dawahare, Farrow, Ford, Freibert, Fryman, Gedling, Guenthner, Hancock, R. Jones, T. Jones, Layman, Lefevers, Maggard, McElroy, Moberly, Moore, Morris, Noland, Overstreet, Rapier, Reinhardt, P. Richardson, Riner, Robinson, Seum, Thomas, Todd, Turner, Van Horn.

SB 232, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 232,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 283, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Arnold moved that **SB 283** be passed.

On the roll call the vote was yeas 88-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, R. Jones, T. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays

3-Brown, Cline, Guenthner.

SB 283 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 283** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 280 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Deskins moved that **SB 280** be passed.

On the roll call the vote was yeas 80-Allen, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Kidd, Layman, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, Stone, Stumbo, Thomason, Van Horn, White, Williams, Yates. Nays 8-Barrows, Cowan, R. Jones, T. Jones, Mann, F. Smith, Thomas, Worthington.

SB 280 was passed and the title agreed to.

Representative LeMaster moved that th vote by which **SB 280** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 20, with House Committee Substitute attached thereto, taken from orders of the Day. Representative LeMaster moved that it be considered. Agreed.

Representative Williams moved that the House refuse to recede from the House Committee Substitute to **SB 20**.

On the roll call the vote was yeas 60-Arnold, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Burch, Burnette, Caldwell, L. Clark, Clarke, Cline, Cyrus, Deskins, Donnermeyer, Dunn, Endicott, Freibert, Gedling, Guenthner, Hancock, Handy, Head, Heleringer, Hines, Holloway, R. Jones, Kidd, Lefevers, LeMaster, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Perkins, Petty, Priddy, Richards, P. Richardson, F. Smith, Stone, Stumbo, Thomason, Todd, Van Horn, White, Williams, Worthington, Yates. Nays 35-Allen, Barrows, Brinkley, Bruce, Clapp, P. Clark, Cowan, Craddock, Crupper, Curd, Dawahare, Ellington, Farrow, Ford, Foster, Fryman, Gray, Harper, Holbrook, Kenton, Layman, Lile, McNutt, Moore, Noland, Pearman, Rattliff, Reinhardt, B. Richardson, Riner, Robinson, Seum, B. Smith, Thomas, Turner.

The motion that the House refuse to recede from the House Committee Substitute to **SB 20** was adopted.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 87** and **SB 292** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time-5:17 p.m.)

Motions, Petitions, and Communications

Representative LeMaster moved that the rules be suspended for Introduction of Resolutions and Report of Committees. Agreed.

Introduction of Resolutions

HR 139, by Representative P. Richardson: A RESOLUTION honoring Mrs. Lillian Jordan.

HR 140, by Representative Worthington: A RESOLUTION honoring Woodie Fryman.

HR 141, by Representative Maggard: A RESOLUTION urging the state Department of Highways to include the paving of Kentucky route #1098 in Breathitt County in its 1984-85 Construction Program.

HR 142, by Representatives Nett, Morris, Bendl, Bennett, Brinkley, Bronger, Burch, L. Clark, P. Clark, Clarke, Cowan, Dunn, Ellington, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Heleringer, Hines, Holloway, Johnson, R. Jones, Kidd, Lile, Long, McNutt, Meyer, O'Brien, Perkins, Priddy, Riner, Seum, Williams, and Yates: A RESOLUTION adjourning the House in honor of the Kentucky Center for the Arts.

HR 143, by Representative Blevins: A RESOLUTION in honor of the Morehead State University basketball team.

Report of Committees

The Committee on Rules reported **HB 406, HB 474, HB 475,** and **HB 932** have been posted for passage in Orders of the Day, March 23, 1984.

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bills and Resolutions have been posted for Committee consideration:

Health and Welfare: **SB 279, SB 295, SB 323.**

Banking and Insurance: **SB 384, SB 312.**

The Committee on Appropriations and Revenue reported **HB 1020** with Committee Substitute attached thereto, and **SB 124,** with Committee Substitute and Title Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 1020, AN ACT relating to budget and financial administration.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 45.251 is amended to read as follows:

(1) Expenditures shall be limited to the amounts and purposes for which appropriations are made. All expenditures shall be reflected in the unified and integrated system of accounts as provided by KRS 45.305.

(2) The finance and administration cabinet shall prescribe all forms to be used in, or in conjunction with, the unified accounting system.

(3) The governor, the chief justice, and the legislative research commission, shall designate in writing the officer or employe authorized to sign advices of employment, copies of purchase orders and contracts, and requisitions for reservation of funds, and no such advice, order, contract or requisition shall be honored as a commitment statement unless the designation, with a copy of the signature of the officer or employe designated, is on file in the office of the finance and administration cabinet.

(4) The finance and administration cabinet may approve for payment any expenditure document presented by a budget unit, provided that the finance and administration cabinet is able to determine that the expenditure is to satisfy a liability of the Commonwealth of Kentucky created on behalf of that budget unit in fulfilling the governmental function assigned to that budget unit and that the expenditure is being made from the unexpended balance of a proper allotment.

(5) Subsidiary records shall be maintained to report the financial operation and condition of each budget unit. These subsidiary records shall be compatible with the unified accounting system prescribed by

subsection (1) of this section and by KRS 45.305[~~, and may be on the accrual basis or cash basis~~]. Expenditures may be by prior encumbrances or by straight disbursements. The subsidiary records may be maintained by the finance and administration cabinet and by the budget unit involved. When a budget unit is authorized to maintain subsidiary records, the finance and administration cabinet shall have authority to prescribe the accounting and preauditing procedures. The unified system of accounts shall conform to accepted management and accounting principles.

Section 2. KRS 45.305 is amended to read as follows:

(1) The finance and administration cabinet shall install a unified and integrated system of accounts for the state which shall comply with generally accepted accounting principles, and which shall be in addition to other accounts required by this chapter, and which shall include:

(a) A set of budgetary control accounts for each fund, comprising an account with the available cash of the fund, an account with the budget estimate of the amount of money to be derived from each source of revenue and nonrevenue receipts, an account with the total of the unallotted balances of appropriations, an account with the total of the free balances of allotments, an account with the total commitments under allotments, and an account with the estimated cash surplus or deficit, so as to show at all times the status of the budget fund.

(b) A subsidiary appropriation ledger for each fund from which appropriations are made, embracing an account with each appropriation, and designed to show the budget unit to which the appropriation was made, the purpose of the appropriation, the amount appropriated, the additions to the appropriation, the allotments from the appropriation, the unallotted balance of the appropriation, the commitments charged to allotments, and the free balances of the total amount allotted.

(c) A set of general controlling proprietary and operating accounts for each fund, so as to record the transactions to the fund in summary form and to show the actual current assets, prepaid expenses, current liabilities, deferred credits to income, reserves, actual income, actual expenditures, and the current surplus or deficit.

(d) A uniform classification of the sources of revenue and nonrevenue receipts.

(e) Standard classifications of the expenditures of the budget units.

(f) A standard classification of the budget units.

(g) Such other accounts, records and devices as the finance and administration cabinet deems necessary for the production of needed information respecting financial condition, financial operations and costs.

(2) The accounts provided for in paragraphs (a), (b) and (c) of subsection (1) of this section or summary records shall be maintained by the finance and administration cabinet.

(3) The finance and administration cabinet shall keep controlling accounts with receipts, payments and state depositories entirely independent of those maintained by the state treasurer. The department shall obtain from the state treasurer the figures for the entries required to open such accounts, and thereafter it shall obtain the information required for the keeping of such accounts from the pay-in vouchers, lists of warrants drawn under appropriations, and vouchers requesting transfers of deposits among state depositories.

(4) The accounting system prescribed and installed by the finance and administration cabinet shall provide for the settlement of transactions between budget units by making debit and credit entries on the books of the department on the basis of adequate expenditure vouchers, without the issuance of warrants.

(5) The accounting system prescribed and installed by the finance and administration cabinet shall include the following fund classifications:

(a) Governmental fund: This classification shall include those funds through which most governmental functions typically are financed including, but not limited to, the general fund, the road fund, bond debt related fund, federal fund, agency receipts funds, and the capital construction fund.

(b) Proprietary fund: This classification shall account for governmental activities which are similar to those activities found in the private sector. Activities which provide services to other governmental units and activities which provide services principally to the private sector are included.

(c) Fiduciary fund: This classification shall account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, or other funds. These include expendable trust funds, nonexpendable trust funds, pension trust funds and agency funds.

[~~(d) Loan fund: This classification shall account for funds advanced or to be advanced to other governments, other governmental agencies or private organizations or individuals.~~]

(6) Account groups. In order to establish accounting control and accountability for general fixed assets and the unmatured principal of general long-term debt, a general fixed assets account group and a general long-term debt account group may be established.

Section 3. KRS 48.800 is amended to read as follows:

The finance and administration cabinet shall prepare and submit to each branch of government:

(1) Within ten (10) days after the close of each month copies of the accounts of the budget units of

that branch of government with the appropriations and allotments in favor of its budget units and the balances as of the beginning and end of that month.

(2) Within ten (10) days after the close of each month, prepare and transmit to each branch of government a report embodying a summary statement of the actual financial condition of each fund of the major fund groups as of the close of the previous month, a summary statement showing the receipts and payments of each such fund for the previous month and for the current fiscal year to the close of the previous month, a summary budget statement for each such fund showing the available cash balance as of the end of the previous month, the amount of cash estimated to be realized from each source during the remaining months of the fiscal year, the total means of financing, the amount of the unallotted balances of all appropriations, the estimated amount of unliquidated commitments, and the estimated cash surplus or deficit.

(3) *By January 1 of each* [~~Within ninety (90) days of the close of a fiscal~~] year, file with each branch of government a complete report of the financial transactions of the preceding fiscal year and of the financial condition of the Commonwealth as of the end of that fiscal year, with such comments and supplementary data necessary to make the report complete and easy to understand.

(4) Each branch of government shall publish a financial and program status report, annually, detailing for that period, activities, appropriations, allotments, expenditures, transfers, encumbrances and available balances of each budget unit of the branch, and an explanation of the programs and services provided by the branch.

The Committee Substitute to **HB 1020** is as follows:

HB 1020, AN ACT relating to budget and financial administration.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 45.251 is amended to read as follows:

(1) Expenditures shall be limited to the amounts and purposes for which appropriations are made. All expenditures shall be reflected in the unified and integrated system of accounts as provided by KRS 45.305.

(2) The finance and administration cabinet shall prescribe all forms to be used in, or in conjunction with, the unified accounting system.

(3) The governor, the chief justice, and the legislative research commission, shall designate in writing the officer or employe authorized to sign advices of employment, copies of purchase orders and contracts, and requisitions for reservation of funds, and no such advice, order, contract or requisition shall be honored as a commitment statement unless the designation, with a copy of the signature of the officer or employe designated, is on file in the office of the finance and administration cabinet.

(4) The finance and administration cabinet may approve for payment any expenditure document presented by a budget unit, provided that the finance and administration cabinet is able to determine that the expenditure is to satisfy a liability of the Commonwealth of Kentucky created on behalf of that budget unit in fulfilling the governmental function assigned to that budget unit and that the expenditure is being made from the unexpended balance of a proper allotment.

(5) Subsidiary records shall be maintained to report the financial operation and condition of each budget unit. These subsidiary records shall be compatible with the unified accounting system prescribed by subsection (1) of this section and by KRS 45.305[~~, and may be on the accrual basis or cash basis~~]. Expenditures may be by prior encumbrances or by straight disbursements. The subsidiary records may be maintained by the finance and administration cabinet and by the budget unit involved. When a budget unit is authorized to maintain subsidiary records, the finance and administration cabinet shall have authority to prescribe the accounting and preauditing procedures. The unified system of accounts shall conform to accepted management and accounting principles.

Section 2. KRS 45.305 is amended to read as follows:

(1) The finance and administration cabinet shall install a unified and integrated system of accounts for the state which shall comply with generally accepted accounting principles, and which shall be in addition to other accounts required by this chapter, and which shall include:

(a) A set of budgetary control accounts for each fund, comprising an account with the available cash of the fund, an account with the budget estimate of the amount of money to be derived from each source of revenue and nonrevenue receipts, an account with the total of the unallotted balances of appropriations, an account with the total of the free balances of allotments, an account with the total commitments under allotments, and an account with the estimated cash surplus or deficit, so as to show at all times the status of the budget fund.

(b) A subsidiary appropriation ledger for each fund from which appropriations are made, embracing an account with each appropriation, and designed to show the budget unit to which the appropriation was made, the purpose of the appropriation, the amount appropriated, the additions to the appropriation, the allotments from the appropriation, the unallotted balance of the appropriation, the commitments charged to allotments, and the free balances of the total amount allotted.

(c) A set of general controlling proprietary and operating accounts for each fund, so as to record the transactions to the fund in summary form and to show the actual current assets, prepaid expenses, current liabilities, deferred credits to income, reserves, actual income, actual expenditures, and the current surplus or deficit.

(d) A uniform classification of the sources of revenue and nonrevenue receipts.

(e) Standard classifications of the expenditures of the budget units.

(f) A standard classification of the budget units.

(g) Such other accounts, records and devices as the finance and administration cabinet deems necessary for the production of needed information respecting financial condition, financial operations and costs.

(2) The accounts provided for in paragraphs (a), (b) and (c) of subsection (1) of this section or summary records shall be maintained by the finance and administration cabinet.

(3) The finance and administration cabinet shall keep controlling accounts with receipts, payments and state depositories entirely independent of those maintained by the state treasurer. The department shall obtain from the state treasurer the figures for the entries required to open such accounts, and thereafter it shall obtain the information required for the keeping of such accounts from the pay-in vouchers, lists of warrants drawn under appropriations, and vouchers requesting transfers of deposits among state depositories.

(4) The accounting system prescribed and installed by the finance and administration cabinet shall provide for the settlement of transactions between budget units by making debit and credit entries on the books of the department on the basis of adequate expenditure vouchers, without the issuance of warrants.

(5) The accounting system prescribed and installed by the finance and administration cabinet shall include the following fund classifications:

(a) Governmental fund: This classification shall include those funds through which most governmental functions typically are financed including, but not limited to, the general fund, the road fund, bond debt related fund, federal fund, agency receipts funds, and the capital construction fund.

(b) Proprietary fund: This classification shall account for governmental activities which are similar to those activities found in the private sector. Activities which provide services to other governmental units and activities which provide services principally to the private sector are included.

(c) Fiduciary fund: This classification shall account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, or other funds. These include expendable trust funds, nonexpendable trust funds, pension trust funds and agency funds.

[~~(d) Loan fund: This classification shall account for funds advanced or to be advanced to other governments, other governmental agencies or private organizations or individuals.~~]

(6) Account groups. In order to establish accounting control and accountability for general fixed assets and the unmatured principal of general long-term debt, a general fixed assets account group and a general long-term debt account group may be established.

Section 3. KRS 48.800 is amended to read as follows:

The finance and administration cabinet shall prepare and submit to each branch of government:

(1) Within ten (10) days after the close of each month copies of the accounts of the budget units of that branch of government with the appropriations and allotments in favor of its budget units and the balances as of the beginning and end of that month.

(2) Within ten (10) days after the close of each month, prepare and transmit to each branch of government a report embodying a summary statement of the actual financial condition of each fund of the major fund groups as of the close of the previous month, a summary statement showing the receipts and payments of each such fund for the previous month and for the current fiscal year to the close of the previous month, a summary budget statement for each such fund showing the available cash balance as of the end of the previous month, the amount of cash estimated to be realized from each source during the remaining months of the fiscal year, the total means of financing, the amount of the unallotted balances of all appropriations, the estimated amount of unliquidated commitments, and the estimated cash surplus or deficit.

(3) Within ninety (90) days of the close of a fiscal year, file with each branch of government and the legislative research commission a complete report of the financial transactions of the preceding fiscal year consistent with the provisions in KRS Chapter 48.

(4) By January 1 of each [~~Within ninety (90) days of the close of a fiscal~~] year, file with each branch of government *and the legislative research commission* a complete report of the financial [~~transactions of the~~

~~preceding fiscal year and of the financial~~] condition of the Commonwealth as of the end of that fiscal year, with such comments and supplementary data necessary to make the report complete and easy to understand.

(5) Within ninety (90) days of the close of a fiscal year the governor's office for policy and management for the executive branch, the chief justice for the judiciary branch, and the legislative research commission for the legislative branch, shall publish financial and program status reports, annually, detailing for that period, activities, receipts, appropriations, allotments, expenditures, transfers, encumbrances and available balances of each budget unit of the branch, and an explanation of the programs and services provided by the branch.

[~~(4) Each branch of government shall publish a financial and program status report, annually, detailing for that period, activities, appropriations, allotments, expenditures, transfers, encumbrances and available balances of each budget unit of the branch, and an explanation of the programs and services provided by the branch.~~]

SECTION 4. A NEW SECTION OF KRS CHAPTER 45 IS CREATED TO READ AS FOLLOWS:

The finance and administration cabinet shall prepare and submit:

(1) Within ninety (90) days of the close of a fiscal year, to each branch of government and the legislative research commission a complete report of the financial transaction of the preceding fiscal year, consistent with the provisions of KRS Chapter 48.

(2) By January 1, of each year, to each branch of government and the legislative research commission a complete report of the financial condition of the Commonwealth as of the end of that fiscal year, with such comments and supplementary data necessary to make the report complete and easy to understand.

SB 124, AN ACT relating to medical assistance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS 205.510 TO 205.590 IS CREATED TO READ AS FOLLOWS:

(1) The cabinet for human resources shall institute nominal copayments and similar charges to be paid by medical assistance recipients, their spouses and parents within the limitations of federal law and regulation.

(2) In no instance shall copayments and similar charges be imposed upon the following services:

(a) All services provided to children under eighteen (18) years of age;

(b) All services furnished to pregnant women;

(c) Emergency services including inpatient or outpatient services necessary to prevent the death or serious impairment of the individual; and

(d) Other services excluded from cost sharing by federal law or regulation.

(3) Prepaid health plan programs such as health maintenance organizations and health insuring organizations under contract with the cabinet for human resources to provide services to medical assistance recipients shall not be subject to the requirements of this section.

(4) Standard nominal copayments not to exceed two dollars ($2) per service shall be collected by the provider and charged for at least the following services:

(a) Physicians' services;

(b) Inpatient and outpatient hospital services;

(c) Pharmacy services;

(d) Primary care center services;

(e) Other services as specified by the cabinet for human resources in the state medical assistance plan.

(5) Standard copayments shall be charged for nonemergency services delivered in a hospital emergency room. The secretary for human resources shall apply to appropriate federal authorities for waiver of the requirement that cost sharing charges must be nominal for nonemergency services delivered in a hospital emergency room.

(6) No provider under the medical assistance program shall deny services due to the inability of a recipient to make the required copayment. This provision shall not, however, excuse the recipient from liability for payment of the charge.

The Committee Substitute to **SB 124** is as follows:

SB 124, AN ACT relating to medical assistance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. There is appropriated out of the general fund in the state treasury for the purpose of compensating persons and companies herein named for claims which have been duly audited and approved according to law, but which have not been paid because of lapsing or insufficiency of former appropriations against which said claims were chargeable, the sums hereinafter specified:

Gumbert, Wheeler, Russell, Morgan & Bray, PSC 2537 Larkin Road Lexington, Kentucky 40503	$ 652.50
NKC, Inc. c/o Resident Fund Eastern Parkway P.O. Box 32562 Louisville, Kentucky 40232	$ 3,293.25
Brian Alpert, M.D. 4122 Shelbyville Road Louisville, Kentucky 40207	$ 1,216.00
The University of Tennessee Officer of the Treasurer Knoxville, Tennessee 37916	$ 531.00
Wal-Mart Store 2347 Nashville Road Bowling Green, Kentucky 42101	$ 44.97
Kentucky Medical Service Foundation Family Medical Center 820 S. Lime Annex No. 4 P.O. Box 1688 Lexington, Kentucky 40536	$ 61.00
Lowery's 5429 Winding Road Louisville, Kentucky 40214	$ 334.76
Turner & Collins P.O. Box 187 Salyersville, Kentucky 41465	$ 3,013.00
Edwin Read Route 1 Glasgow, Kentucky 42141	$ 3,250.00
Mary M. White c/o Jimmy White 324 North Main Street Barbourville, Kentucky 40906	$ 2,033.43
The Travelers One Tower Square Hartford, Connecticut 06115	$ 716.40
Treasurer Jefferson County Board of Education 3332 Newburg Road Louisville, Kentucky 40218	$44,841.90
Cave Run Clinic	

425 Clinic Drive
Morehead, Kentucky 40351-1083 $ 450.00

Trimble & Lindsay
P.O. Box 19
Henderson, Kentucky 42420 $ 1,007.50

James A. Mixon & Associates
Food Industry Services
14000 Castle Boulevard (1108)
Silver Spring, Maryland 20904 $ 6,000.00

Telex Computer Products, Inc.
P.O. Box 96206
Chicago, Illinois 60693 $ 2,310.00

Section 2. The claims hereinafter enumerated are for the payment of state treasury checks payable to the persons, or their personal representatives, and the firms listed, but not presented for payment within a period of five (5) years from the date of issuance of such checks as required by KRS 41.370 and 413.120.
Check #226823, dated February 11, 1963

Geo C & R Sivak
906 Alta Vista
Louisville, Kentucky $ 63.41

Check #T7,040,354 dated July 10, 1978

Marys A. Converse
P.O. Box 4483
Louisville, Kentucky 40204 $ 137.23

Check #T3,853,716 dated June 28, 1974

Isla Smith
RR 4, Box 8
Russell Springs, Kentucky 42542 $ 9.61

Check #550327 dated April 12, 1967

A. M. Bernacki
c/o John C. Redman
University of Kentucky
College of Agriculture
500 Agricultural Science Bldg.-South
Lexington, Kentucky 40546-0215 $ 8.45

Payroll Check #P9,556,256 dated March 10, 1976

Arnetta Schlenker
General Deliver
Taylorsville, Kentucky 40071 $ 165.57

Check #G3508205 dated December 8, 1975

Robert Shepherd
835 Boulder Court
Villa Hills, Kentucky 41017 $ 2.56

Check #G4220503 dated January 20, 1977

Lanny Harvey
107 Golf Cart Drive

Mayfield, Kentucky 42066 $ 75.00

Check #T2,594,987 dated March 13, 1973

Mr. & Mrs. Eugene Tharp
Route #2
Stanton, Kentucky 40380 $ 2.36

Payroll check #P0,350,293 dated Sept. 2, 1976

Raymond Riddle
493 Shaftsburg Road
Lexington, Kentucky 40505 $ 256.45

Check #G4,692,331 dated September 30, 1977

John Burkholder
311 East Broadway - Box B
Campbellsville, Kentucky 42718 $ 145.00

Payroll check #P0,135,662 dated July 22, 1976

Nancy S. Alexander
3835 Ferncliff
Paducah, Kentucky 42001 $ 6.95

Check #T6,153,706 dated June 9, 1977

Edgar Baker
Route 1, Box 7A
French Lick, Indiana 47432 $ 74.20

Check #G0,664,995 dated August 7, 1970

Walter Burris
519 Fagan Street
Henderson, Kentucky 42420 $ 4.80

Payroll check #P9,461,038 dated Feb. 23, 1976

James E. Clark
1608 Teakwood
Bowling Green, Kentucky 42101 $ 9.98

Check #T5,395,672 dated June 14, 1976

Mr. & Mrs. Donald E. Noffsinger
Route 2, Box 7
Crofton, Kentucky 42217 $ 91.79

Check #T5,329,331 dated May 21, 1976

Mr. & Mrs. Lester Turner
1746 W. Oak Street
Louisville, Kentucky 40210 $ 49.84

Payroll check #P2,263,481 dated Oct. 27, 1977

Mary T. Williams
Route 2, Box 370
Flat Gap, Kentucky 41219 $ 146.18

Check #G4,575,695 dated August 8, 1977

Velma L. Miller
Route 4, Box 40
Paducah, Kentucky 42001 $ 4.00

Check #G0,836,332 dated Dec. 31, 1970-$16.80
Check #G1,912,574 dated March 8, 1973-$13.40
Check #G0,919,985 dated March 9, 1971-$43.25
Check #281-420 dated January 29, 1960-$25.25

Bessie T. Morris
c/o Joseph J. Wantland
Porter, MacCracken & Edison
217 Buckman Street
Shepherdsville, Kentucky 40165 $ 98.70

Check #G4,462,924 dated June 9, 1977

Donald Mason
P.O. Box 218
Pineville, Kentucky 40977 $ 88.00

Check #G2,803,812 dated October 16, 1974

Estate of Beecham Chambers
c/o Alice Chambers
312 Ashgrove Avenue
Mt. Sterling, Kentucky 40353 $ 15.25

Check #T1,596,274 dated May 12, 1971

James Burkler
7951 Queeens Avenue
Cincinnati, Ohio 45236 $ 49.00

Check #P1,834,033 dated July 29, 1970

Estate of Homer J. Thomas
c/o Patricia Ann Thomas
Bayles Bldg. - 112 N. Main Street
Burkesville, Kentucky 42717 $ 17.50

Check #178723 dated February 26, 1965

Estate of Robert L. Akridge
c/o Pamela L. Jeffords
101 D. Knoll Court
Noblesville, Indiana 46060 $ 56.23

Check #A,7,480,919 dated April 1, 1974-$6.00
Check #A,7,544,338 dated May 1, 1974-$6.00
Check #A,7,415,487 dated March 1, 1974-$2.00
Check #A,7,621,420 dated June 1, 1974-$9.00

Pearl Morris
718 Dillehay Street
Danville, Kentucky 40422 $ 23.00

Check #T4,981,610 dated March 17, 1976

Debra S. Harris

Route 3, Box 310
Jamestown, Kentucky 42629 $ 6.16

Check #T6,231,934 dated August 18, 1977

Dolores J. Zellers
3578 D. Fincastle
Louisville, Kentucky 40213 $ 85.76

Check #T4,529,254 dated June 3, 1975

The Peoples Liberty Bank & Trust Co.
20th and Madison
Covington, Kentucky 41012 $ 7.63

Check #619468 dated July 18, 1963

Stephen B. Moore
8513 Michael Ray Drive
Louisville, Kentucky 40219 $ 16.38

Check #195435 dated May 31, 1960

Jean Paulsen Pinc
14872 Menard Avenue
Oak Forest, Illinois 60452 $ 2.78

Check #G0,100,636 dated March 11, 1969

Luella S. Foree
P.O. Box 113
Joseph City, Arizona 86032 $ 1.00

Check #T1,058,949 dated July 8, 1970

Lucille Manning
711 Cherokee Drive
Independence, Kentucky 41051 $ 26.00

Check #T3,159,539 dated July 31, 1973

Sam Barndollar, Sr.
Box 53
Russell, Kentucky 41169 $ 126.84

Check #A4,199,140 dated December 1, 1971-$13.00
Check #A4,232,918 dated December 1, 1971-$96.00

Liela Sizemore
Roark, Kentucky 40979 $ 109.00

Check #P0,623,384 dated November 8, 1976

J. M. Kotchen
c/o Pamela Todd
University of Kentucky
Payroll Office
Room 340, Service Building
Lexington, Kentucky 40506-0005 $ 1,131.87

Check #U5367207 dated January 30, 1976

Grace P. Drexler
2403 Emil Avenue
Louisville, Kentucky 40217 $ 68.00

Check #G2,484,915 dated March 25, 1974-$295.68
Check #G2,492,434 dated March 27, 1974-$1,541.86
Check #G2,600,213 dated June 6, 1974-$403.20

C. L. Mays
Mays Lumber Co.
Beattyville, Kentucky 40217 $ 2,240.74

Check #T3,079,775 dated June 14, 1973

Susan J. Pope
123 Pine Street - Box 207
Barbourville, Kentucky 40906 $ 50.62

Check #G3,838,947 dated June 16, 1976

John L. Holladay
340 Howell Avenue
Cincinnati, Ohio 45220 $ 30.00

Check #T0,492,484 dated July 29, 1968

A. B. Eargood, Jr.
226 Elm Street
Henderson, Kentucky 42420 $ 12.43

Check #T5,347,051 dated May 28, 1976

Doris Brittain
910 Coldwater Road
Murray, Kentucky 42071 $ 5.67

Check #P4,006,165 dated April 25, 1972-$90.80
Check #G1,463,856 dated April 18, 1972-$500.00

Estate of Emmett G. Fields
c/o Emmett Burke Fields
402 Rocky Lane
Cayce, South Carolina 29033 $ 590.80

Check #T,4,347,712 dated April 23, 1975

Pam Wilson
2319 Clays Mill
Lexington, Kentucky 40503 $ 10.05

Check #507009 dated June 8, 1965

Thompson Willett
P.O. Box 91
Bardstown, Kentucky 40004 $ 87.80

Check #P6,146,093 dated December 13,1973

Susan K. Surrvey
3355 Alcott Street
Denver, Colorado 80211 $ 43.88

Check #T5,391,689 dated June 11, 1976

Carl R. & Mary C. Baughman
548 N. 44th Street
Louisville, Kentucky 40212 $ 136.00

Check #T5,401,097 dated June 14, 1976

Diane L. Herman
3130 Michael Drive
Louisville, Kentucky 40220 $ 13.96

Check #R0,128,790 dated November 24, 1970

Marian J. Stahl
c/o Farrell W. Stohl
2721 Nashville Road, Lot 2
Bowling Green, Kentucky 42101 $ 69.06

Check #T6,114,740 dated May 27, 1977

Walter Sult
c/o Lincoln Federal Savings & Loan Association
600 Fourth Avenue
Louisville, Kentucky 40202 $ 4.36

Check #T5,347,404 dated May 28, 1976

Don & J. Green
188 Tusculuim Road
Antioch, Tennessee 37013 $ 36.00

Check #R0,379,594 dated October 5, 1973

Louise Teague
Continental Apt. 706
2121 Nicholasville Road
Lexington, Kentucky 40503 $ 395.30

Check #R0,663,726 dated May 4, 1976

William R. Stewart
602 N. Lexington
Wilmore, Kentucky 40390 $ 105.77

Check #R0,973,931 dated September 8, 1978

Orville E. Waddell
Route 1, Box 211
Grayson, Kentucky 41142 $ 42.63

Check #P0,884,309 dated January 4, 1977

B. Wagoner
c/o Lucile Harter
General Assembly
Capitol, Room 316B
Frankfort, Kentucky 40601 $ 57.19

Check #RO,347,302 dated June 8, 1973

J. W. Harris

Route #1, Box 248
Franklin, Kentucky 42134 $ 5.43

Check #MO,633,937 dated September 17, 1975

R. T. Hudson, M.D.
3185 Lexington Road
Louisville, Kentucky 40206 $ 29.00

Check #G5,693,112 dated February 28, 1979

S. W. & T. G. Carden
Route 1 Box 155
Irvington, Kentucky $ 119.34

Check #T5,255,364 dated May 7, 1976

Leslie A. Ballard Jr.
P. O. Drawer BB
Richlands, Virginia $ 10.00

Section 3. The finance and administration cabinet and the state treasurer are authorized hereby to pay the following listed claims from the following funds:

(1) The department of labor is authorized to pay certain claims from their other expendable trust fund for court reporter fee for the deposition of Frank LeRoy Pendleton on January 20, 1981 and medical services rendered for Billy Little (claimant - department of labor) on December 14, 1979, the sums hereinafter specified:
Jack P. McLendon
702 Kentucky Towers
Louisville, Kentucky 40202 $ 33.75

Schmitz, Scheriden and Schuler, PSC
7536 U.S. Highway 42
Florence, Kentucky 41042 $ 150.00

(2) The Kentucky Retirement System is authorized to make payment from their retirement fund for state treasury checks payable to the persons or their personal representatives but not presented for payment within a period of five (5) years from the date of issuance of such checks, the sums hereinafter specified:
Louise Teague
Continental Apt. 706
2121 Nicholasville Road
Lexington, Kentucky 40503 $ 395.30

William R. Stewart
602 N. Lexington
Wilmore, Kentucky 40390 $ 105.77

Orville E. Waddell
Route 1, Box 211
Grayson, Kentucky 41143 $ 42.63

(3) The transportation cabinet is authorized to make payment from their transportation fund for state treasury checks payable to persons or their personal representatives, but not presented for payment within a period of five (5) years from the date of issuance of such checks, the sums hereinafter specified:
C. L. Mays
Mays Lumber Company
Beattyville, Kentucky 41311 $ 2,240.74

(4) The Kentucky reinsurance association is authorized to make payment from their agency fund for legal services rendered from July 6 to August 3, 1983 regarding their tax status with the internal revenue services and actuarial services rendered May 1 to May 30, 1983:
Brown, Todd & Heyburn

Sixteenth Floor, Citizen's Plaza
Louisville, Kentucky 40202 $ 1,504.43

Tillinghast, Nelson & Warren, Inc.
34 North Mesamec
St. Louis, Missouri 63105 $ 1,984.72

Section 4. The persons and companies named above having in good faith furnished the services, supplies, and materials enumerated in Section 1, and the Commonwealth having received the benefits of same, an emergency is declared to exist and this Act shall take effect upon its passage and approval by the governor.

The Committee Title Amendment to **SB 124** is as follows:

Amend printed copy of **SB 124,** page 1, by amending the title to read as follows:

AN ACT authorizing the payment of certain claims against the state which have been duly audited and approved according to law, and have not been paid because of the lapsing or insufficiency of former appropriations against which claims were chargeable and declaring an emergency.

The Committee on Business Organizations and Professions reported **HB 790** with expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

The Committee on Business Organizations and Professions reported **SB 251,** with Committee Amendments attached thereto, and **SB 252,** with Committee Amendments attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 251, AN ACT relating to auctioneers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 330.040 is amended to read as follows:

(1) KRS 330.030 shall not apply to:

(a)[~~(1)~~] Sales at auction conducted by or under the direction of any public authority or pursuant to any judicial order or decree, or to any sale required by law to be at auction.

(b)[~~(2)~~] Sales at auction of any real or personal property conducted exclusively by an individual who personally owns such real or personal property and who did not acquire such real or personal property for resale. This subsection is applicable only to individuals. It does not apply to any other "persons" as defined in KRS 330.020(5), nor does it apply to any officer, director or employe thereof.

(c)[~~(3)~~] Any resident or nonresident crier or auctioneer who simply calls for bids and strikes the bargain or who cries or acts as auctioneer in the sale of livestock owned and sold at auction by 4-H Clubs or FFA Clubs or club members, or by any university operated by the Commonwealth of Kentucky.

(d)[~~(4)~~] A sale conducted by or on behalf of any political party, church or charitable corporation or association if the individual conducting the sale receives no compensation and does not, by advertising or otherwise, hold himself out as being available to engage in the sale of goods or real estate at auction.

(2) Notwithstanding the provisions of this section, no licensee under this chapter shall be exempted from any of the provisions of this chapter in connection with or by reason of his participation in any sale excepted under this section.

Section 2. KRS 330.050 is amended to read as follows:

(1) There is hereby created a board of auctioneers. The governor shall appoint a board consisting of five (5) members, *all* [~~three (3)~~] of whom immediately prior to the date of their appointment have been residents of the Commonwealth of Kentucky for five (5) years, and *four (4)* whose vocation for a period of at least five (5) years has been that of an auctioneer. One (1) member shall be a citizen at large who is not associated with or financially interested in the practice or business regulated. The term of the members of the board shall be for three (3) years and until their successors are appointed and qualified. Members to fill vacancies shall be appointed for the unexpired term.

(2) At no time shall there be more than three (3) members of the same political faith on the board. Whenever there is a vacancy on the board, the Kentucky Auctioneer Association shall recommend to the governor at least three (3) names for each auctioneer vacancy and such appointment or appointments shall be

made from the recommendations of the association.

(3) The board, immediately upon qualification of the member appointed in each year, shall organize by selecting from its members a chairman.

(4) Each member of the board shall receive the sum of *one hundred dollars ($100)* [~~fifty dollars ($50)~~] per day as full compensation for each day actually spent on the work of the board and his actual and necessary expenses incurred in the performance of duties pertaining to his office.

(5) The board shall have full authority to employ, and discharge, *any* [~~a secretary and such other~~] personnel, *including counsel,* as *it may deem* [~~may be~~] necessary to *efficiently* administer and enforce the provisions of this chapter, and it shall outline the duties and fix the compensation of such persons, *provided that such* [~~which~~] compensation shall be comparable to the salaries paid other state employes, *if any, which the board may deem to be* doing similar work. The board shall obtain office space, furniture, stationery and any other proper supplies and conveniences reasonably necessary to carry out the provisions of this chapter. *If any items deemed to be reasonably necessary by or which are required by the board are available through vendors under contract with the Commonwealth of Kentucky at less cost than if obtained otherwise, then the items shall be acquired pursuant to the contract. The board shall have full authority to obtain for its members, staff and employes complete insurance coverage, including, but not limited to, liability and errors and omissions insurance, so long as such insurance concerns the business of the board.*

(6) All fees and charges collected by the board under the provisions of this chapter shall be paid into the state treasury through the executive department for finance and administration and shall be credited to an agency-fund account for the board of auctioneers under the provisions of KRS 45.253 and shall be withdrawn or expended as provided in that section, *if such payment, credit, withdrawal or expense provisions do not conflict with any provision of this chapter.* The total expenses for all purposes and obligations of the board shall not exceed the total fees, charges, fines, [~~and~~] penalties, *and other income* imposed under the provisions of this chapter and paid into the state treasury. The board shall be financially self-sustaining, and if funds permit it may underwrite, within its financial limitations, educational programs for the enlightenment and benefit of all auctioneers and apprentice auctioneers who have paid fees pursuant to this chapter.

(7) The board shall annually publish a list of the names and addresses of all auctioneers and apprentice auctioneers licensed by it pursuant to this chapter. This list shall also contain the names of all persons whose licenses have been suspended or revoked within the preceding year, as well as any other information relative to the enforcement of the provisions of this chapter that the board may deem of interest to the public.

(8) The board may from time to time promulgate necessary rules and regulations.

Section 3. KRS 330.060 is amended to read as follows:

(1) Auctioneer and apprentice auctioneer licenses shall be granted only to persons who are found to be of good repute, trustworthy and competent to transact the business of an auctioneer or of any apprentice auctioneer in such a manner as to safeguard the interest of the public.

(2) The board is authorized to require information from every applicant to determine the applicant's honesty and truthfulness.

(3) In addition to proof of honesty, truthfulness and good reputation, an examination, conducted by the board or its authorized representative shall be held four (4) times each year, and an examination fee of *seventy-five dollars ($75)* [~~fifty dollars ($50)~~] shall be collected from each applicant *for apprentice auctioneer and an examination fee of one hundred dollars ($100) shall be collected from each applicant for auctioneer. Examination fees shall be nonrefundable and shall* [~~to~~] defray the expenses of *processing the application and of conducting* the examination. The examination shall include questions on ethics, reading, writing, spelling, elementary arithmetic, elementary principles of land economics and a general knowledge of the statutes of Kentucky relating to the bulk sales law, deeds, mortgages, contracts of sale, agency, leases, auctions, brokerage and the provisions of this chapter. The examination for an auctioneer's license shall be of a more exacting nature and scope than the examination for an apprentice auctioneer.

(4) However, no examination shall be required for the renewal of any present or future license, unless such license has been revoked, suspended or is allowed to expire without renewal. In any of these cases, the board may, in its discretion, require the applicant to take and pass the written examination before a new license may be issued.

(5) The provisions of subsection (3) of this section requiring applicants to pass a written examination to obtain a license shall not apply to an auctioneer or apprentice auctioneer furnishing satisfactory proof to the board that he actively engaged in the auction business for a period of at least one (1) year prior to June 14, 1962, and that he has been the principal auctioneer in at least five (5) auctions of either real or personal property during this period of time. Such an applicant shall file his application and proof with the board no later than October 1, 1962, and the application and proof shall be accompanied by a bond and license fee in accordance with the provisions of this chapter; provided, however, that a nonresident tobacco auctioneer may qualify by December 1, 1962.

Section 4. KRS 330.070 is amended to read as follows:

(1) In addition to the other qualifications provided for by this chapter, every applicant for an

auctioneer's license shall be at least eighteen (18) years of age. In addition, but subject to the provisions of KRS 330.090, an applicant shall possess a current Kentucky apprentice auctioneer's license and shall have served a bona fide apprenticeship for a period of one (1) year as an apprentice auctioneer in Kentucky. *An applicant for an auctioneer's license who has previously held an auctioneer's license which has been revoked, suspended or which has expired without renewal may request, and the board may grant, a waiver of the requirement of possession of a current apprentice license. In addition, effective on and after January 1, 1985, every applicant for auctioneer's license shall have been the recipient of an accredited high school diploma or the equivalent.* Every application for a license, whether as an auctioneer or apprentice auctioneer, shall be submitted on forms prepared by the board.

(2) Every applicant for an apprentice auctioneer's license shall be at least eighteen (18) years of age. In addition to other requirements imposed by this chapter, the applicant shall furnish pertinent background data as outlined on the application forms furnished by the board.

(3) The issuance fee for each auctioneer's and apprentice auctioneer's license shall be not more than fifty dollars ($50) and the annual renewal fee for each license shall be not more than fifty dollars ($50). All licenses shall expire on June thirtieth of each year. In the absence of any reason or condition which might warrant the refusal of the renewing of the license, and upon receipt of the written request of the applicant and the annual fee therefor, the board shall issue a new license for each ensuing year.

(4) The board shall prepare and deliver to each licensee a license certificate and pocket card. The certificate shall be displayed conspicuously at all times in the office of the licensee. The certificate and pocket card of the apprentice auctioneer shall contain the name and address of the auctioneer under whose supervision he is employed.

(5) When any apprentice auctioneer is discharged or terminates his employment with the auctioneer for any reason, it shall be the immediate duty of the auctioneer to deliver or mail by certified mail, return receipt requested to the board the license of the apprentice auctioneer. It shall be unlawful for any apprentice auctioneer to perform any of the acts contemplated by this chapter either directly or indirectly, under authority of his license, until the apprentice auctioneer receives a new license bearing the name and address of his new employer. No more than one (1) license shall be issued to any apprentice auctioneer for the same period of time.

(6) Notice in writing shall be given to the board by each licensee of any change of principal business location *or of residence address within ten (10) days of such change. In the event of change of business location address* [~~, whereupon~~] the board shall issue a new license for the unexpired period. A change of business location without notification to the board *within ten (10) days* shall automatically *suspend or revoke* [~~cancel~~] the license *of such licensee, as may be ordered in the discretion of the board* [~~previously issued~~]. Changing a business location *or a residence location on its records* [~~and issuance of a new license~~] shall entitle the board to collect three dollars ($3).

Section 5. KRS 330.095 is amended to read as follows:

Any nonresident applicant who is a licensed auctioneer or apprentice auctioneer *in and who resides* in another state or country where the qualifications prescribed at the time of licensing were, in the opinion of the board, equal to those prescribed in the Commonwealth *of Kentucky* at the date of application, and where reciprocal licensing privileges satisfactory to the board are granted to licensees *and residents* of the Commonwealth, may be granted a license without an examination. A fee of *one hundred dollars ($100) in addition to the fees set out in KRS 330.090* [~~fifty dollars ($50)~~] shall be collected from each applicant meeting the above requirements.

Section 6. KRS 330.110 is amended to read as follows:

The board may suspend or revoke the license of an auctioneer or apprentice auctioneer for any of the following causes:

(1) Obtaining a license through false or fraudulent representation;

(2) Making any substantial misrepresentation;

(3) Pursuing a continued and flagrant course of misrepresentation or making false promises through agents or advertising or otherwise;

(4) Accepting valuable consideration as an apprentice auctioneer for the performance of any of the acts specified in this chapter, from any person, except his employer auctioneer;

(5) Failing to account for or remit, within a reasonable time, any money belonging to others that comes into his possession, commingling funds of others with his own, or failing to keep such funds of others in an escrow or trustee account;

(6) Paying valuable consideration to any person for services performed in violation of this chapter;

(7) Being convicted in a court of competent jurisdiction of this or any other state of a criminal offense involving moral turpitude or a felony;

(8) Violation of any rule or regulation promulgated by the board;

(9) Failure to furnish voluntarily at the time of execution, copies of all written instruments prepared by the auctioneer or apprentice auctioneer;

(10) Any conduct of an auctioneer which demonstrates bad faith, dishonesty, incompetency or

untruthfulness;

(11) Any other conduct that constitutes improper, fraudulent or dishonest dealings;

(12) Failing prior to the sale at public auction *or prior to publicly advertising any goods for sale or offering any goods for sale* to enter into a written contract with the owner or consignee of any property to be sold, containing the terms and conditions upon which such licensee receives the property for sale.

SECTION 7. A NEW SECTION OF KRS CHAPTER 330 IS CREATED TO READ AS FOLLOWS:

(1) All complaints against licensees must be submitted to the board in triplicate, on forms furnished by the board. The complaint must state facts which, if true, would make out a prima facie case against the licensee.

(2) A copy of the complaint, exhibits attached thereto, and any subsequent pleadings, must be served on the licensee defendant, by the complainant, at the licensee's last known address and must show certification that there has been service by writing to the last known address.

(3) The defendant licensee must file with the board an answer to the complaint, in triplicate, and properly notarized, on forms secured from the board offices. The answer must be returned to the board within twenty (20) days and a copy of the answer, exhibits attached thereto, as well as any subsequent pleadings, must be served on complainant and must show certification that there has been service by writing to the last known address. Any and all further pleadings in the matter filed with the board by either party must show that a copy has been furnished to the opposing party or parties.

Section 8. KRS 330.140 is amended to read as follows:

(1) In the preparation and conduct of hearings, the board shall have power to require by subpoena the attendance and testimony of witnesses and the production of papers, and any member of the board may sign subpoenas, administer oaths and affirmations, examine witnesses and receive evidence. [~~The fees and mileage allowance paid to witnesses shall be the same as prescribed by law in judicial procedure in the courts of this commonwealth in civil cases.~~] Any party to any hearing before the board shall have the right to the attendance of witnesses in his behalf at such hearing upon making a request thereof to the board and designating the person or persons sought to be subpoenaed.

(2) Testimony may be taken by deposition as in civil cases, and any person may be compelled to appear and depose in the same manner as witnesses may be compelled to appear and testify as hereinbefore provided.

(3) In case of disobedience to the subpoena, any member of the board may invoke the aid of any court of competent jurisdiction in requiring the attendance and testimony of witnesses and the production of papers; and such court may issue an order requiring the persons to appear before the board and give evidence and to produce papers as the case may be. Any failure to obey such order of the court may be punished by the court as contempt.

(4) The proceedings at all formal hearings shall be recorded in such a manner as the board sees fit. The board shall cause a transcript to be made from the record upon proper motion from any party, at the cost of the party so moving. The board may at its discretion approve a motion by any party that a court stenographer be present at a formal hearing, at the cost of the party so moving.

(5) A subpoena delivered upon the request of any party shall be delivered at the cost of the party so requesting.

Section 9. KRS 330.192 is amended to read as follows:

(1) (a) There is hereby created and established in the state treasury the auctioneer's education, research and recovery fund.

(b) In addition to the license fees provided for in KRS 330.070, upon renewal of every apprentice or principal auctioneer's license as of July 15, 1982 and every regular annual renewal date thereafter, the board shall charge each and every licensee an amount not to exceed thirty dollars ($30) per year to be included in the auctioneer's education, research and recovery fund. Each and every original applicant for apprentice or principal auctioneer's license on and after July 15, 1982 shall likewise submit to the board an additional fee of thirty dollars ($30) to be deposited in the auctioneer's education, research and recovery fund and shall also be subjected thereafter to an annual renewal fee as of the regular renewal date.

(c) In addition to the license fees provided for in KRS 330.070, the board, based upon its own discretion as to need, may assess each licensee upon renewal an amount equal to or less than thirty dollars ($30) per year, or nothing, but not more. Each original applicant must pay the original amount of thirty dollars ($30), but upon renewal will pay the same fee as other licensees.

(2) The purposes of the auctioneer's education, research and recovery fund shall be as follows:

(a) When a licensee has been duly found guilty of violating any one (1) or more of the provisions of KRS 330.110, or any one (1) or more of the rules and regulations duly promulgated by the board, and upon the conclusion of a final order entered by the board or by the courts, if appealed, the board is authorized to pay to the aggrieved person or persons an aggregate amount not to exceed *twenty thousand dollars ($20,000)* [~~ten thousand dollars ($10,000)~~] against any one (1) licensee, provided that the licensee has refused to pay such claim within a period of twenty (20) days of entry of a final order and provided further that the amount or amounts of money in question are certain and liquidated.

(b) The board shall maintain a minimum level of *two hundred thousand dollars ($200,000)* [~~one hundred twenty thousand dollars ($120,000)~~] for recovery and guaranty purposes. These funds may be invested and reinvested in the same manner as funds of the state employes' retirement system and the interest from said investments shall be deposited to the credit of the research and recovery fund, or, in the discretion of the board, to the agency fund account as set out in KRS 330.050(6). Sufficient liquidity, however, will be maintained so that there will be money available to satisfy any and all claims which may be processed through the board by means of administrative hearing as outlined in this chapter.

(c) The board, in its discretion, may use any and all funds in excess of the *two hundred thousand dollar ($200,000)* [~~one hundred twenty thousand dollar ($120,000)~~] level, regardless of whether it is from the auctioneer's education, research and recovery fund fees or accrued interest thereon, for *any or all of* the following purposes:

1. To carry out the advancement of education and research in the auction field for the benefit of those licensed under the provisions of this chapter and the improvement and making even more efficient the auction industry as such;

2. To underwrite educational seminars, caravans and other forms of educational projects for the use and benefit generally of auctioneer licensees;

3. To establish an auction chair or courses at Kentucky state institutions of higher learning for the purpose of making such courses available to licensees and the general public who may seek same on a college or university level;

4. To contract for a particular research project in the auction field for the Commonwealth of Kentucky;

5. To sponsor, contract for and to underwrite any and all other educational and research projects of a similar nature having to do with the advancement of the auction field in Kentucky; [~~and~~]

6. To cooperate with associations of auctioneers and any and all other groups for the enlightenment and advancement of the auctioneer licensees of Kentucky*; and*

7. To increase the level of the auctioneer's education, research and recovery fund above two hundred thousand dollars ($200,000);

8. To augment the regular trust and agency account of the board.

(3) (a) In the event that a licensee is found guilty of one (1) or more provisions of KRS 330.110 or one (1) or more rules and regulations of the board, and if the amount of the money lost by the aggrieved party or parties is in dispute or cannot be determined accurately, then the amount of damages shall be determined by a circuit court in the county where the alleged violation took place, provided that the board has previously determined that a violation of the license laws or rules and regulations has occurred and a final order has been entered.

(b) If such an order has been entered and the auctioneer license rights of the licensee have been finally adjudicated, then the local circuit court shall make a finding as to the monetary damages growing out of the aforesaid violation or violations.

(c) When a final order has been entered by the circuit court or court of appeals, and upon certification to the board, the aggrieved party or parties shall be paid such amount or amounts *in the aggregate* not to exceed *twenty thousand dollars ($20,000)* [~~ten thousand dollars ($10,000)~~] by the board, and the auctioneer's license held by the licensee against whom the claim was made by the aggrieved party shall be suspended at least until such time as the licensee has reimbursed the auctioneer's education, research and recovery fund for all amounts paid to the aggrieved party due to the violation of the licensee.

(d) When, upon the final order of the court, the board has paid from the auctioneer's education, research and recovery fund any sum to the aggrieved party, the board shall be subrogated to all of the rights of the aggrieved party to the extent of the payment and the aggrieved party shall to the extent of the payment assign his right, title and interest in the judgment to the commission.

(e) Any funds in excess of the *two hundred thousand dollar ($200,000)* [~~one hundred twenty thousand dollar ($120,000)~~] level and which are not being currently used, may be invested and reinvested as set forth in subsection (2)(b) of this section, *or, in the discretion of the board, may be utilized for any of the purposes enumerated in subsection (2)(c) of this section.*

(f) All the claims for monetary damages or relief from the auctioneer's education, research and recovery fund must be made in writing on a proof of loss form submitted to the board within six (6) months of the act of the auctioneer giving rise to the loss. Failure to file such claims within the six (6) month period shall bar the claim. Additional evidence will be submitted by the claimant if required by the board.

(g) Notwithstanding any other provisions of this chapter, no unreimbursed amount greater than twenty thousand dollars ($20,000) shall be paid by the board on account of any one (1) licensee, no matter over how long a time, or for how many claims, and no matter what the number of claimants be or the size of such claims, individually or in the aggregate. Should the licensee reimburse the fund for all amounts paid, then future claims timely filed with the board concerning different matters may be received pursuant to this section.

(h) No claims shall be approved under this section for amounts which, in the aggregate, exceed the maximum payable on account of any one (1) licensee in effect at the time of the act or acts of the licensee giving rise to the claims, except to the extent of said maximum. Statutory increases in the maximum set out in this section do not apply retroactively.

The Committee Amendment No. 1 to **SB 251** is as follows:

Amend printed copy of **SB 251**, on page 14, line 12, by deleting the words "*may at its discretion*" and inserting in lieu thereof the word "*shall*".

The Committee Amendment No. 2 to **SB 251** is as follows:

Amend printed copy of **SB 251**, on page 14, lines 17 and 18, by deleting the words "*party so requesting*" and insert in lieu thereof the word "*board*".

SB 252, AN ACT relating to real estate licensing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 324.010 is amended to read as follows:

(1) As used in this chapter, unless the context requires otherwise:

(a) "Broker" means any person who for a fee, commission, compensation or other valuable consideration sells or offers for sale, buys or offers to buy, or otherwise deals in time sharing options, or negotiates the purchase or sale or exchange of real estate, or who leases or offers to lease, or rents or offers for rent, or refers or offers to refer for the purpose of securing prospects, any real estate or the improvements thereon for others, *but shall not apply to a person whose only compensation for negotiating the purchase, sale or lease of an interest or interests in mineral rights consists of an interest in the rights that are the subject of the purchase, sale or lease*[~~, as a whole or partial vocation~~].

(b) "Commission" means the Kentucky real estate commission.

(c) "Principal broker" means a broker as defined in paragraph (a) of this subsection who, in addition to performing acts or transactions comprehended by that definition, is the single broker responsible for the operation of the office or offices.

(d) "Real estate" includes leaseholds and other interests less than leaseholds.

(e) "Sales associate" means any person associated with a Kentucky-licensed principal broker for performing acts or transactions comprehended by the definition of "broker" as defined in paragraph (a) of this subsection and licensed as per KRS 324.046(2).

(f) "Approved real estate school" means*:*

1. A school that has been given a certificate of approval by the state board of proprietary education in addition to a certificate of approval by the Kentucky real estate commission. The school must also be currently in good standing with both the state board of proprietary education and the commission*; or*

2. A national association of realtors recognized program which has been reviewed by the Kentucky real estate commission and deemed an approved real estate school.

(g) "Accredited real estate school" means a college or university accredited by appropriately recognized educational associations or chartered and licensed in Kentucky that grants credits toward an associate degree or a baccalaureate degree to those students successfully completing a course in real estate.

(2) One act for a fee, commission, compensation or other valuable consideration of buying or selling real estate of or for another, or offering for another to buy, sell or exchange real estate, or leasing, renting or offering to rent real estate, or referring or offering to refer real estate for the purpose of securing prospects, or otherwise dealing in options or time sharing shall constitute the person performing, offering or attempting to perform such act as a broker or sales associate.

Section 2. KRS 324.020 is amended to read as follows:

(1) It shall be unlawful for any person to act as a broker or real estate sales associate or to advertise or assume to act as such broker or sales associate within the Commonwealth of Kentucky, without a license issued by the Kentucky real estate commission.

(2) A licensee who is an owner or a builder-developer must comply with the provisions of this chapter and the regulations applying to real estate brokers and sales associates.

(3) It shall be unlawful for any broker to split fees with or compensate any person who is not licensed to perform any of the acts regulated by this chapter; provided, however, that a broker may pay a commission to or split fees with a broker licensed outside of Kentucky who *represents an out-of-state client* [~~does not conduct in this state any of the negotiations for which such commission or fees are paid~~].

(4) No sales associate licensed in Kentucky shall supervise another licensed sales associate or manage an office except by permission of the commission and when acting on the death of the principal broker.

(5) The Kentucky real estate commission shall have the authority to seek and obtain injunctive relief against any unlicensed individual acting in violation of this chapter by filing a civil action in the circuit court where the unlawful activity took place.

Section 3. KRS 324.046 is amended to read as follows:

(1) Every applicant for initial licensure as a broker shall have successfully completed not less than twenty-one (21) academic credit hours or the equivalent with at least twelve (12) hours in real estate courses from an accredited or approved real estate school and shall have been engaged in the real estate business [~~in Kentucky~~] as a sales associate averaging at least twenty (20) hours per week for a period of twenty-four (24) months prior to application.

(2) Every applicant for initial licensure as a sales associate shall have successfully completed six (6) academic credit hours or equivalent in real estate courses from an accredited or approved real estate school.

(3) Proof of said activities will take the form of an official transcript from the attended university and a sworn notarized affidavit signed by both the applicant and his principal broker or other documentation satisfactory to the commission. The applicant may file a complaint with the commission should the principal broker unjustly refuse to sign the affidavit.

(4) The commission may reduce the two (2) year experience requirement for applicants for a broker's license to one (1) year if the applicant has an associate degree in real estate or a baccalaureate degree with a major in real estate.

(5) No sales associate may apply to take the broker's examination if a formal complaint has been filed against him or her and has not been resolved.

(6) Any person licensed under the real estate laws of this state prior to June 19, 1976, shall not be subject to any educational changes in this chapter effected by Acts 1976, ch. 100, found in subsections (1) and (2) of this section.

(7) Effective April 1, 1984, only two (2) types of licenses, a real estate broker's license and a real estate sales associate's license, will be issued by the commission. The program will be phased in over a two-year period beginning in 1982 to allow licensees to meet the appropriate licensing requirements.

Section 4. KRS 324.090 is amended to read as follows:

(1) Effective March 31, 1984, every license shall expire on the thirty-first day of March of each year. The commission shall issue a new license for each ensuing year, in the absence of any reason or condition which might warrant the refusal of the granting of the license, upon receipt of the written request of the applicant and the annual fees therefor, as herein required.

(2) A fine not to exceed two hundred dollars ($200) shall be assessed for failure to renew on time before a new license is issued. Failure to receive a renewal form shall not constitute an adequate excuse for failure to renew on time.

(3) Any license not renewed at the end of the renewal year as prescribed by the commission shall automatically revert to expired status. Such license may be reactivated before a lapse of *one (1) year* [~~six (6) months~~] if delinquent fees are paid by the licensee.

Section 5. KRS 324.117 is amended to read as follows:

(1) *Real estate advertising shall not be false, misleading, or deceptive; all such advertising must specify the names of the real estate company or the name of the principal broker and a designation indicating that he is engaged in the real estate business. The commission may adopt policies or regulations to define false, misleading, or deceptive advertising.* [~~All real estate advertising shall identify, by name, the principal broker and the fact that he is engaged in the real estate business by a statutory designation, such as real estate broker, or other professional real estate designation. The commission may adopt regulations to further define what designations are acceptable.~~]

(2) The deceased broker's name may remain a part of the firm name.

(3) *No sales associate or non-licensed individual may have their name in the firm name.* [~~Only brokers may have their names in the firm name. (No sales associate's name may be a part of the firm name.)~~]

(4) Any sales associate or broker affiliated *under a principal broker* [~~as a sales associate~~] must advertise in the *firm name or the* name of *the* [~~his or her~~] principal broker, unless he or she is selling, renting, leasing, or otherwise dealing in his or her own property.

Section 6. KRS 324.151 is amended to read as follows:

(1) All complaints against licensees must be submitted to the commission[~~, in triplicate,~~] on forms furnished by the commission. The complaint must state facts which, if true, would make out a prima facie case against the licensee.

(2) A copy of the complaint, exhibits attached thereto, and any subsequent pleadings, must be served on the licensee defendant, by the *commission* [~~complainant~~], at the licensee's last known address and must show certification that there has been service by writing to the last known address.

(3) The defendant licensee must file with the commission an answer to the complaint[~~, in triplicate,~~] and properly notarized, on forms secured from commission offices. The answer must be returned to the

commission within twenty (20) days and a copy of the answer, exhibits attached thereto, as well as any subsequent pleadings, must be served on complainant and must show certification that there has been service by writing to the last known address. Any and all further pleadings in the matter filed with the commission by either party must show that a copy has been furnished to the opposing party or parties.

(4) Notice of all formal hearings will be given at least twenty (20) days prior to hearing date [~~and witnesses may be subpoenaed by either party to the complaint by securing subpoena forms from the commission and having them served~~].

(5) The parties *may have witnesses subpoenaed for hearing by written request received by the commission ten (10) days prior to the hearing* [~~requesting a subpoena must pay the cost thereof~~].

(6) A court stenographer will be present at all formal hearings to take the proof and any party may obtain a copy of the proceedings by paying the stenographer therefor.

Section 7. KRS 324.160 is amended to read as follows:

(1) The commission may suspend or revoke any license or levy fines not to exceed five hundred dollars ($500) or both *and* [~~or~~] place any licensee on probation for a period of up to twelve (12) months *or require successful completion of academic credit hours in real estate courses from an accredited or approved real estate school* for any of the following causes:

(a) Obtaining a license through false or fraudulent representation.

(b) Making any substantial misrepresentation.

(c) Making any false promises of a character likely to influence, persuade or induce.

(d) Pursuing a continued and flagrant course of misrepresentation or making false promises through agents or advertising or otherwise.

(e) Acting for more than one (1) party in a transaction without the knowledge of all parties for whom the licensee acts.

1. A real estate licensee shall not directly or indirectly buy property listed with him or her nor acquire an interest therein without making his or her true position clearly known in writing on the sales contract or offer to purchase.

2. Before a real estate licensee buys, sells or receives compensation for property in which the licensee owns an interest, the licensee shall disclose any interest in the property to all parties to the transaction.

(f) Accepting valuable consideration for the performance of any of the acts specified in this chapter, from any person, except from his or her principal broker at the time the listing was obtained. When acting as an agent in the management of property, a real estate licensee shall not accept any commission, rebate or profit on expenditures made for a client without the full knowledge and consent of the client.

(g) Representing or attempting to represent a broker other than a principal broker, without the express knowledge and consent of that principal broker.

(h) Failing to account for or remit, within a reasonable time, any money belonging to others that comes into his or her possession. When acting as a property manager, the licensee shall render an accounting and remit all moneys to his or her client strictly in accordance with the contract of employment.

(i) Paying valuable consideration to any person for services performed in violation of this chapter.

(j) Entering a plea of guilty or nolo contendere to, or having been found guilty of, or having been convicted of, a felony, in which fraud is an essential element, and the time for appeal has lapsed or the judgment or conviction has been affirmed on appeal, irrespective of an order granting probation following such conviction, suspending the imposition of sentence; or soliciting, selling or offering for sale real property under a scheme or program that constitutes a lottery or contest or deceptive practice, or offering prizes for the purpose of influencing a purchaser or prospective purchaser of real estate, or acting in the dual capacity of broker and undisclosed principal in the transaction.

(k) Guaranteeing, authorizing or permitting a person to guarantee that future profits will result from a resale of real property.

(l) Negotiating or attempting to negotiate the sale, exchange, lease or rental of real property with an owner or lessor knowing that the owner or lessor had a written outstanding contract granting exclusive agency in connection with the property to another real estate broker.

(m) Publishing or circulating an unjustified or unwarranted threat of legal proceedings or other such action.

(n) Failing or refusing on demand to furnish copies of a document pertaining to a transaction dealing with real estate to a person whose signature is affixed to the document.

(o) Failing, within a reasonable time, to provide information requested by the commission as a result of a formal or informal complaint to the commission which would indicate a violation of this chapter.

(p) Paying valuable consideration to any person for the name or names of potential sellers or buyers except as otherwise provided in KRS 324.020(3).

(q) Violating any of the provisions in this chapter of any lawful order, rule or regulation made or issued under the provisions of this chapter.

(r) Any other conduct that constitutes improper, fraudulent or dishonest dealing.

(s) Gross negligence.

(2) Any conduct constituting an act of discrimination regarding a person's race, color, creed, sex, or national origin, including use of scare tactics or blockbusting, shall be considered improper conduct as referred to in subsection (1)(r) of this section.

(3) No unlawful act or violation of any provision of this chapter by any associate of the principal broker may be cause for holding the principal broker primarily liable unless the broker has guilty knowledge of such unlawful violation. The commission through means of a formal hearing may fine, suspend, or revoke the license of the principal broker for failing to exercise adequate supervision over the activities of licensed affiliates.

(4) The practice of obtaining, negotiating, or attempting to negotiate "net listings" shall be considered improper dealing. A "net listing" shall be defined as a listing agreement that provides for a stipulated net price to the owner and the excess over the stipulated net price to be received by the licensee as the commission.

Section 8. KRS 324.170 is amended to read as follows:

(1) The commission shall before denying an application for license or before suspending or revoking any license set the matter down for a hearing and at least twenty (20) days prior to the date set for the hearing it shall notify the applicant or licensee in writing, which said notice shall contain an exact statement of the charges made and the date and place of the hearing. The applicant or licensee in all hearings shall have the opportunity to be heard in person and by counsel in reference thereto. Such written notice may be served by delivery of same personally to the applicant or licensee or by mailing same by certified mail, return receipt requested to the last known business address of such applicant or licensee. If such applicant or licensee be a sales associate the commission shall also notify the principal broker by mailing notice by certified mail, return receipt requested to the broker's last known business address. The commission shall order the presence of the principal broker at the hearing. The hearing on such charges shall be at such time and place as the commission shall prescribe.

(2) *All hearings must be conducted by a quorum of the commission or by a hearing officer appointed by the commission. Hearing officers are not authorized or empowered to suspend, revoke or fine any licensee or to place any licensee on probation. The function of hearing officers appointed to conduct hearings shall be to preside at the hearing and to cause to be prepared a record of the hearing, so that the commission can discharge its functions. The hearing officer shall prepare a recommended findings of fact and conclusions of law for submission to the commission.*

Section 9. KRS 324.281 is amended to read as follows:

(1) There is hereby created the Kentucky real estate commission. The governor shall appoint five (5) persons, at least four (4) of whom, immediately prior to the date of their appointment have been residents of the state for ten (10) years and whose vocation for a period of at least ten (10) years shall have been that of an active real estate licensee. One (1) member shall be a citizen at large who is not associated with or financially interested in the practice or business regulated. The term of the members of said commission shall be for *four (4)* [~~three (3)~~] years and until their successors are appointed and qualify, *except as provided in subsections (2) and (3) of this section.*

(2) *Vacancies occurring in 1984 shall be filled by one (1) appointment for a three (3) year term and one (1) appointment for a four (4) year term; all subsequent appointments will be for the specified four (4) year term.*

(3) For each appointment or vacancy, the Kentucky Association of Realtors shall supply a list of not less than three (3) names of licensees to the governor each year from which the broker or sales associate appointments are to be made. The governor may fill vacancies arising in the middle of the year from those remaining on the list or from a new list supplied by the association.

(4)[~~(3)~~] There shall not be more than three (3) of any one political party serving on the commission at the same time. Appointees to fill vacancies shall be appointed for the unexpired term.

(5)[~~(4)~~] It shall be the duty of the commission to draft regulations, to hold disciplinary hearings concerning matters in controversy as provided by this chapter; to conduct examinations for applicants eligible under this chapter; to conduct whenever deemed necessary certain educational seminars and courses directed toward continuing education within the real estate field; to investigate or cause to be investigated any irregularities in violation of this chapter or the promulgated and authorized rules and regulations of the commission; to participate with any other agency of the Commonwealth or the authorized agency of another state for the betterment or improvement of the administration of the statutes, rules or regulations governing this commission. Any action taken by the commission under this subsection shall be appealable as are other actions of the commission under this chapter.

(6)[~~(5)~~] The commission, at its discretion, may use such funds as are necessary to purchase liability insurance for members and executive officers of the commission, inspectors and for members of the staff exempted from classified service of the state by KRS *18A.115* [~~18.140~~].

SECTION 10. A NEW SECTION OF KRS Chapter 324 IS CREATED TO READ AS FOLLOWS:

Any person who proposes to engage in sales of a promotional nature in this Commonwealth for property located outside of this Commonwealth shall first apply to the commission for its approval before so *doing, and they and their salesmen shall comply with such rules, regulations, restrictions and conditions pertaining thereto as the commission may impose as well as those provisions set forth in this Act.*

Section 11. KRS 324.310 is amended to read as follows:

(1) When any sales associate shall be discharged or shall terminate his or her association with the principal broker, it shall be the duty of such broker to immediately deliver or mail to the commission such sales associate's license. The broker shall, at the time of mailing such sales associate's license to the commission, address a communication to the last known residence address of such sales associate, which communication shall advise such sales associate that his or her license has been delivered or mailed to the commission. A copy of such communication to the sales associate shall accompany the license when mailed or delivered to the commission. It shall be unlawful for any sales associate to perform any of the acts contemplated by this chapter either directly or indirectly under authority of said license from and after the date of receipt of the said license from said broker by the commission.

(2) A licensee may place his license in escrow with the commission provided that:

(a) The licensee does not engage in any real estate activity for others during the term of escrow of the license; and

(b) The licensee pays the annual license renewal fees for each year the license is in escrow.

(c) At the request of the licensee and upon the meeting of requirements applicable to active licensees, such license shall be automatically converted to an active license at the established change fee.

The Committee Amendment No. 1 to **SB 252** is as follows:

Amend printed copy of **SB 252,** on page 18, after line 11, by adding the following:

Section 12. KRS 320.210 is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Board" means the Kentucky board of optometric examiners;

(2) "Practice of optometry" means the employment of any means *including* [~~other than the use of drugs, except~~] the administration of [~~diagnostic~~] pharmaceutical agents as authorized in KRS 320.240, *except* [~~medicine or~~] surgery *or injection in examination, diagnosis and treatment of* [~~to examine~~] the human eye *and its appendages*, to determine the visual efficiency of the human eye, or to determine the powers or defects of vision; the prescribing, providing, furnishing, adapting, using or employing lenses, prisms, contact lenses, visual training, orthoptics, ocular exercise or any other means or device *including* [~~other than the use of drugs, except diagnostic~~] pharmaceutical agents as authorized in KRS 320.240, *excluding the use of* [~~medicine or~~] surgery *or injection* for the aid, relief or correction of *the human eye and its appendages* [~~vision~~];

(3) *"Appendages" means the eyelids, the eyebrows, the conjunctiva and the lacrimal apparatus.*

(4) "Visual aid glasses" means eyeglasses, spectacles or lenses designed or used to correct visual defects; Provided, however, That nothing in the provisions of this chapter relating to the practice of optometry shall be construed to limit or restrict, in any respect, the sale of sunglasses designed and used solely to filter out light; and further provided that nothing in this chapter relating to the practice of optometry shall be construed to limit or restrict, in any respect, the sale of completely assembled eyeglasses or spectacles designed and used solely to magnify;

(5)[~~(4)~~] An orthoptic technician is a person who trains and directs individuals to engage in ocular exercises designed to correct visual defects, and shall not be required to be licensed under the provisions of this chapter provided that such training and directions are done pursuant to and under the instructions of a duly licensed physician, osteopath or optometrist and consists solely of visual training, orthoptics or ocular exercises.

Section 13. KRS 320.240 is amended to read as follows:

(1) The board shall meet at least once each year at which time it shall choose from among its members the president, vice-president, and secretary-treasurer. In addition, the board upon call of its officers, may hold meetings at such time as it deems necessary. The secretary-treasurer shall keep a full record of its proceedings which shall be open to inspection at all reasonable times.

(2) The board shall keep a register containing the name, address and license number of every person

licensed to practice optometry in this state.

(3) The attorney general shall render to the board such legal services as it may require in carrying out and enforcing the provisions of this chapter.

(4) Subject to and consistent with the provisions of this chapter, the board shall make and promulgate reasonable rules and regulations and do any and all things which it may deem necessary or proper for the effective enforcement of this chapter and for the full and efficient performance of its duties hereunder and the reasonable regulation of the profession of optometry and the practice thereof by licensed optometrists.

(5) The board shall have a common seal.

(6) The board shall have authority to administer oaths and to require the attendance of witnesses, the production of books, records and papers pertinent to any matters coming before the board by the issuance of process which shall be served and returned in the same manner as in civil actions and for the disobedience of which the board shall have the power to invoke the same rights as are provided in the event of disobedience of a subpoena or subpoena duces tecum in a civil action.

(7) The board shall make rules and regulations governing applicants and applications for registration or license under this chapter and governing the conduct of licensing examinations.

(8) The board shall from time to time accredit schools and colleges teaching optometry, the graduates of which shall be eligible to licensing examinations.

(9) The board shall have the right to determine what acts on the part of any person licensed as an optometrist in this state shall constitute unprofessional conduct under this chapter.

(10) The board shall have authority to assist in the prosecution of any violation of this chapter and in the enforcement of any of the provisions of this chapter.

(11) The board shall have such other powers and duties as may be provided in the provisions of this chapter.

(12) The board shall make a report of its proceedings to the governor on or about January 1st of each year, including an accounting of all moneys received and disbursed.

(13) The board may authorize persons engaging in the practice of optometry under the provisions of this chapter to administer diagnostic pharmaceutical agents limited to miotics for emergency use only, mydriatics, cycloplegics, and anesthetics applied topically only, but excluding any drug classified as a controlled substance pursuant to KRS Chapter 218A. These pharmaceutical agents shall be applied in diagnostic procedures only as part of an eye examination. The application of such diagnostic pharmaceutical agents shall be limited to those persons who have sufficient education and professional competence as determined by the board and who have earned transcript credits of at least six (6) semester hours in a course or courses in general and ocular pharmacology, with particular emphasis on diagnostic pharmaceutical agents applied topically to the eye, from a college or university accredited by a regional or professional accreditation organization which is recognized or approved by the council on postsecondary accreditation or by the United States *department* [~~office~~] of education.

(14) *The board may authorize only those persons who have qualified for use of diagnostic pharmaceutical agents as set out in subsection (13) of this section to utilize and prescribe therapeutic pharmaceutical agents in the examination or treatment of any condition of the eye or its appendages. The utilization or prescribing of therapeutic pharmaceutical agents shall be limited to those persons who have sufficient education and professional competence as determined by the board and who have earned transcript credits of at least six (6) semester hours in a course or courses in general and ocular pathology and therapy, with particular emphasis on utilization of therapeutic pharmaceutical agents from a college or university accredited by a regional or professional accreditation organization which is recognized or approved by the council on post-secondary accreditation or by the United States department of education. These six (6) semester hours are in addition to the six (6) semester hours required by subsection (13) of this section.*

(15) Any optometrist authorized by the board to utilize diagnostic pharmaceutical agents shall be permitted to purchase for use in the practice of optometry diagnostic pharmaceutical agents limited to miotics

for emergency use only, mydriatics, cycloplegics, and anesthetics to be applied topically only. *Any optometrist authorized by the board to utilize therapeutic pharmaceutical agents shall be permitted to purchase for use or prescribe in the practice of optometry therapeutic pharmaceutical agents.* Optometrists so authorized by the board to purchase [~~diagnostic~~] pharmaceutical agents shall obtain them from licensed drug suppliers or pharmacists on written orders placed in the same or similar manner as any physician or other practitioner authorized by KRS Chapter 217. [~~to obtain drugs, however,~~] Purchases shall be limited to those pharmaceutical agents specified in this subsection and in subsection (13) of this section, *based upon the authority conferred upon the optometrist by the board consistent with the educational qualifications of the optometrist as set out herein* [~~and shall be on purchase order forms provided by the board~~]. *All purchases of pharmaceutical drugs by optometrists shall be upon purchase order forms provided by the board.*

Section 14. KRS 217.015 is amended to read as follows:

For the purpose of KRS 217.005 to 217.215:

(1) The term "secretary" means the secretary of the cabinet for human resources;

(2) The term "cabinet" means the cabinet for human resources or its designee;

(3) The term "person" includes individual, partnership, corporation, and association;

(4) The term "food" means:

(a) Articles used for food or drink for man or other animals;

(b) Chewing gum; and

(c) Articles used for components of any such article;

(5) The term "drug" means:

(a) Articles recognized in the official United States pharmacopoeia, official homeopathic pharmacopoeia of the United States, or official national formulary, or any supplement to any of them; and

(b) Articles intended for use in the diagnosis, cure, mitigation, treatment or prevention of disease in man or other animals; and

(c) Articles (other than food) intended to affect the structure or any function of the body of man or other animals; and

(d) Articles intended for use as a component of any article specified in this subsection but does not include devices or their components, parts, or accessories;

(6) The term "device" (except when used in subsection (12) of this section and in subsection (10) of KRS 217.175, subsection (6) of KRS 217.035, subsection (3) of KRS 217.065, and subsection (3) of KRS 217.095) means instruments, apparatus and contrivances, including their components, parts and accessories, intended:

(a) For use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or other animals; or

(b) To affect the structure or any function of the body of man or other animals;

(7) The term "cosmetic" means:

(a) Articles intended to be rubbed, poured, sprinkled, or sprayed on, introduced into, or otherwise applied to the human body or any part thereof for cleansing, beautifying, promoting attractiveness, or altering the appearance; and

(b) Articles intended for use as a component of any such articles, except that such term shall not include soap;

(8) The term "official compendium" means the official United States pharmacopoeia, official homeopathic pharmacopoeia of the United States, official national formulary, or any supplement to any of them;

(9) The term "label" means a display of written, printed or graphic matter upon the immediate container of any article; and a requirement made by or under authority of KRS 217.005 to 217.215 that any word, statement, or other information appearing on the label shall not be considered to be complied with unless such word, statement, or other information also appears on the outside container or wrapper, if any there be, of the retail package of such article, or is easily legible through the outside container or wrapper;

(10) The term "immediate container" does not include package liners;

(11) The term "labeling" means all labels and other written, printed or graphic matter:

(a) Upon an article or any of its containers or wrappers; or

(b) Accompanying such article;

(12) If an article is alleged to be misbranded because the labeling is misleading, or if an advertisement is alleged to be false because it is misleading, then in determining whether the labeling or advertisement is misleading, there shall be taken into account (among other things) not only representations made or suggested by statement, word, design, device, sound, or in any combination thereof, but also the extent to which the labeling or advertisement fails to reveal facts material in the light of such representations or material with respect to consequences which may result from the use of the article to which the labeling or advertisement relates under the conditions of use prescribed in the labeling or advertisement thereof or under such conditions of use as are customary or usual;

(13) The term "advertisement" means all representations disseminated in any manner or by any means, other than by labeling, for the purpose of inducing, or which are likely to induce, directly or indirectly, the purchase of food, drugs, devices, or cosmetics;

(14) The representation of a drug, in its labeling or advertisement, as an antiseptic shall be considered to be a representation that it is a germicide, except in the case of a drug purporting to be, or represented as, an antiseptic for inhibitory use as a wet dressing, ointment, dusting powder, or such other use as involves prolonged contact with the body;

(15) The term "new drug" means:

(a) Any drug the composition of which is such that such drug is not generally recognized among experts qualified by scientific training and experience to evaluate the safety of drugs, as safe for use under the conditions prescribed, recommended, or suggested in the labeling thereof; or

(b) Any drug the composition of which is such that such drug, as a result of investigations to determine its safety for use under such conditions, has become so recognized, but which has not, otherwise than in such investigations, been used to a material extent or for a material time under such conditions;

(16) The term "contaminated with filth" applies to any food, drug, device, or cosmetic not securely protected from dust, dirt, and as far as may be necessary by all reasonable means, from all foreign or injurious contaminations;

(17) The provisions of KRS 217.005 to 217.215 regarding the selling of food, drugs, devices, or cosmetics, shall be considered to include the manufacture, production, processing, packing, exposure, offer, possession, and holding of any such article for sale; and the sale, dispensing, and giving of any such article, and the supplying or applying of any such articles in the conduct of any food, drug, or cosmetic establishment;

(18) The term "federal act" means the Federal Food, Drug and Cosmetic Act; (Title 21 U.S.C. Sec. 301 et seq.; 52 Stat. 1040 et seq. or amendments thereto);

(19) The term "flour" includes and shall be limited to the foods, commonly known as flour, white flour, wheat flour, plain flour, bromated flour, self-rising flour, self-rising white flour, self-rising wheat flour, phosphated flour, phosphated white flour, and phosphated wheat flour, defined under the federal act;

(20) The term "enriched" as applied to flour, means the addition to flour of vitamins and other nutritional ingredients necessary to make it conform to the definition and standard of "enriched" flour as defined under the federal act;

(21) The terms "bread" and "enriched bread" include, and shall be limited to, the foods commonly known and described as "white bread," "white rolls," "white buns," "enriched white bread," "enriched rolls," and "enriched white buns," as defined under the federal act;

(22) The term "filled milk" means any milk, cream or skimmed milk, whether or not condensed, evaporated, concentrated, frozen, powdered, dried or desiccated, to which has been added, or which has been blended or compounded with, any fat or oil other than milk fat, except the fat or oil of contained eggs and nuts and the fat or oil of substances used for flavoring purposes only, so that the resulting product is an imitation or semblance of milk, cream, skimmed milk, ice cream mix, ice cream, or frozen desserts, whether or not condensed, evaporated, concentrated, frozen, powdered, dried or desiccated, whether in bulk or in containers, hermetically sealed or unsealed. This definition does not mean or include any milk or cream from which no part of the milk or butter fat has been extracted, whether or not condensed, evaporated, concentrated, powdered, dried, or desiccated, to which has been added any substance rich in vitamins, nor any distinctive proprietary food compound not readily mistaken for milk or cream or for condensed, evaporated, concentrated, powdered, dried, or desiccated milk or cream, if such compound is prepared and designed for the feeding of infants or young children, sick or infirm persons, and customarily used on the order of a physician, and is packed in individual containers bearing a label in bold type that the contents are to be used for those purposes; nor shall this definition prevent the use, blending or compounding of chocolate as a flavor with milk, cream or skimmed milk, desiccated, whether in bulk or in containers, hermetically sealed or unsealed, to or with which has been added, blended or compounded no other fat or oil other than milk or butter fat;

(23) The term "practitioner" means medical or osteopathic physicians, dentists, chiropodists, and veterinarians who are licensed under the professional licensing laws of Kentucky to prescribe and administer drugs and devices; it shall also include optometrists when administering *or prescribing* [~~the diagnostic~~] pharmaceutical agents authorized in subsections (13), [~~and~~] (14) *and (15)* of KRS 320.240;

(24) The term "prescription" means a written or oral order for a drug or medicine, or combination or mixture of drugs or medicines, or proprietary preparation, signed or given or authorized by a medical, dental, chiropody, [~~or~~] veterinarian *or optometric* practitioner, and intended for use in the diagnosis, cure, mitigation, treatment or prevention of disease in man or other animals;

(25) The term "Federal Meat Inspection Act" means the Federal Meat Inspection Act; (Title 21 U.S.C. Sec. 71 et seq.; 34 Stat. 1260 et seq. including any amendments thereto);

(26) The term "Federal Poultry Products Inspection Act" means the Federal Poultry and Poultry Products Inspection Act. (Title 21 U.S.C. Sec. 451 et seq.; public law 85-172; 71 Stat. 441 including any amendments thereto);

(27) The term "Fair Packaging and Labeling Act" means the Fair Packaging and Labeling Act as it relates to foods and cosmetics (15 U.S.C. Sec. 1451, et seq.), and all amendments thereto;

(28) The term "pesticide chemical" means any substance which, alone, in chemical combination, or in formulation with one or more other substances is an "economic poison" within the meaning of the federal insecticide, fungicide and rodenticide act and subsequent amendments thereto, and which is used in the production, storage, or transportation of raw agricultural commodities;

(29) The term "raw agricultural commodity" means any food in its raw or natural state, including all fruits that are washed, colored, or otherwise treated in their unpeeled natural form prior to marketing;

(30) The term "food additive" means any substance, the intended use of which results or may be reasonably expected to result, directly or indirectly, in its becoming a component or otherwise affecting the characteristics of any food (including any substance intended for use in producing, manufacturing, packing, processing, preparing, treating, packaging, transporting, or holding food; and including any source of radiation intended for any such use) if such substance is not generally recognized, among experts qualified by scientific training and experience to evaluate its safety, as having been adequately shown through scientific procedures (or, in the case of a substance used in a food prior to January 1, 1958, through either scientific

procedures or experience based on common use in food) to be safe under the conditions of its intended use; except that such term does not include:

(a) A pesticide chemical in or on a raw agricultural commodity; or

(b) A pesticide chemical to the extent that it is intended for use or is used in the production, storage, or transportation of any raw agricultural commodity; or

(c) A color additive; or

(d) Any substance used in accordance with a sanction or approval granted prior to the enactment of the food additives amendment of 1958, pursuant to the federal act; the Poultry Products Inspection Act (21 U.S.C. Sec. 451 et seq.) or the Meat Inspection Act of 1907 and subsequent amendments thereto;

(31) (a) The term "color additive" means a material which:

1. Is a dye, pigment, or other substance made by a process of synthesis or similar artifice, or extracted, isolated, or otherwise derived, with or without intermediate or final change of identity, from a vegetable, animal, mineral, or other source; or

2. When added or applied to a food, drug, or cosmetic, or to the human body or any part thereof, is capable (alone or through reaction with other substance) of imparting color thereto; except that such term does not include any material which has been or hereafter is exempted under the federal act;

(b) The term "color" includes, but is not limited to black, white and intermediate grays;

(c) Nothing in paragraph (a)1. of this subsection shall be construed to apply to any pesticide chemical, soil or plant nutrient, or other agricultural chemical solely because of its effect in aiding, retarding, or otherwise affecting, directly or indirectly the growth or other natural physiological process of produce of the soil and thereby affecting its color, whether before or after harvest.

(32) The term "Federal Environmental Pesticide Control Act of 1972" means the Federal Environmental Pesticide Control Act of 1972 (Public Law 92-516) and all amendments thereto;

(33) "Salvage distributor" means a person who engages in the business of distributing, peddling, or otherwise trafficking in any salvaged merchandise;

(34) "Salvage processing plant" means an establishment operated by a person engaged in the business of reconditioning, labeling, relabeling, repackaging, recoopering, sorting, cleaning, culling or who by other means salvages, sells, offers for sale, or distributes for human or animal consumption or use any salvaged food, beverage, including beer, wine and distilled spirits, vitamins, food supplements, dentifices, cosmetics, single-service food containers or utensils, containers and packaging materials used for foods and cosmetics, soda straws, paper napkins, or any other product of a similar nature that has been damaged or contaminated by fire, water, smoke, chemicals, transit, or by any other means.

The Committee Amendment No. 2 to **SB 252** is as follows:

Amend printed copy of **SB 252,** on page 1, by amending the title to read as follows: "AN ACT relating to occupations and professions."

Motions, Petitions, and Communications (continued)

Representative Maggard moved that he be recorded as voting "nay" on **SB 20.** Agreed.

Representative Worthington moved the adoption of the following **HR 140:**

HR 140, A RESOLUTION honoring Woodie Fryman.

WHEREAS, Woodie Fryman, athlete, Kentuckian and gentleman, enjoyed a career in the major baseball leagues spanning 18 seasons; and

WHEREAS, this renowned pitcher achieved 141 victories, 1,587 strikeouts and a career earned run average of 3.76; and

WHEREAS, Woodie Fryman best exemplifies the keen competitive spirit of which all Kentuckians are so rightfully proud; and

WHEREAS, throughout his long and distinguished baseball career Woodie Fryman remained ever in contact with his rural Kentucky roots and his beloved Fleming County farm; and

WHEREAS, Woodie Fryman's baseball skill is exceeded only by his sense of fair play, his kindness, and his ready efforts to help others whenever called upon;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That Woodie Fryman be and he is extended hereby the esteem, affection, warm regards and best wishes of this honorable body.

Section 2. That when the Kentucky House of Representatives does adjourn on March 22, 1984, it does so in honor of Woodie Fryman.

Section 3. That a copy of this resolution be presented to Woodie Fryman and his family.

HR 140 was adopted by voice vote.

Representative LeMaster moved that the rules be suspended for Posting of Bills and Resolutions. Agreed.

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bills and Resolutions have been posted for Committee consideration:

Education: **SJR 51, SJR 52, SB 379, SB 222, SB 223.**

Motions, Petitions, and Communications (continued)

Representative Bronger moved that the vote by which the House refused to concur in the Senate Amendment to **HB 93** be reconsidered. Rejected.

Representative Hancock moved that the motion that the vote by which the House refused to concur in the Senate Amendment to **HB 93** be reconsidered be laid on the table. Rejected.

Representative Bronger moved that the vote by which the House refused to concur in the Senate Amendment to **HB 93** be reconsidered.

On the roll call the vote was yeas 48-Bendl, Blandford, Blevins, Bronger, Bruce, Burnette, Clapp, L. Clark, P. Clark, Curd, Cyrus, Deskins, Dunn, Ellington, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Head, Heleringer, Holloway, R. Jones, Layman, List, Lundergan, Maggard, McElroy, McNutt, Morris, Nett, Noland, Pearman, Priddy, Rattliff, Richards, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Todd, Turner, Williams, Yates. Nays 30-Arnold, Barrows, Burch, Caldwell, Clarke, Crupper, Dawahare, Donnermeyer, Farrow, Hancock, Hines, Holbrook, T. Jones, Kenton, Lefevers, Little, Long, Mann, McBee, Moberly, Noe, Overstreet, Perkins, Petty, Rapier, Reinhardt, B. Richardson, Thomason, Van Horn, Worthington.

The motion that the vote by which the House refused to concur in the Senate Amendment to **HB 93** be reconsidered was adopted.

Senate Message

Announcing passage of **HB 4** with Senate Amendment, **HB 106** with Senate Amendment, **HB 664** with Senate Amendment, and **HB 16.**

Motions, Petitions, and Communications (continued)

Representative Bronger moved that **HB 93,** with Senate Amendment attached thereto, be placed in Orders of the Day for tomorrow, March 23, 1984.

On the roll call the vote was yeas 52-Bendl, Blandford, Blevins, Bronger, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Craddock, Curd, Cyrus, Dunn, Ellington, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Head, Heleringer, Holbrook, Holloway, R. Jones, Kidd, Layman, List, Lundergan, Maggard, McElroy, McNutt, Morris, Noland, Pearman, Priddy, Rattliff, Richards, B. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Todd, Turner, Williams, Yates. Nays 26-Arnold, Barrows, Clarke, Crupper, Dawahare, Donnermeyer, Farrow, Hancock, Hines, T. Jones, Kenton, Lefevers, Little, Long, Mann, McBee, Moberly, Noe, Perkins, Petty, Rapier, Reinhardt, Thomason, Van Horn, White, Worthington.

The motion that **HB 93,** with Senate Amendment attached thereto, be placed in the Orders of the Day for tomorrow, March 23, 1984 was adopted.

The following meetings were announced:

Banking and Insurance: Friday, on adjournment.

Energy: Friday, 9:30 a.m., Room 104.

State Government: Friday, 9:00 a.m., Room 110.

Appropriations and Revenue: Special meeting, Friday, 9:00 a.m.

The following Floor Amendments were filed to Bills and Resolutions:

Floor Title Amendment to **SB 9,** by Representative Cyrus:

Amend printed copy of **SB 9,** on page 1, title line, by deleting the title and inserting in lieu thereof: AN ACT relating to transportation.

Floor Amendment No. 1 to **SB 9,** by Representative Cyrus:

Amend printed copy of **SB 9,** on page 6, line 2, after the period by inserting the following:

SECTION 2. A NEW SECTION OF KRS CHAPTER 276 IS CREATED TO READ AS FOLLOWS:

(1) Any railroad operating as a common carrier in this state shall not run or permit to be run over its tracks outside of yard limits any train in excess of fifteen hundred (1500) feet in overall length including locomotives without having attached thereto as the rear car, a properly equipped and maintained caboose occupied when moving by a qualified train service conductor and/or brakeman.

(2) Cabooses are not required on passenger trains and on freight trains in cases of emergency occurring on line of road which will not permit compliance.

(3) A defective rail car that cannot be entrained except behind the caboose may be the rear car from the point entrained, on line of road, to the first terminal where repairs can be made.

Section 3. KRS 276.990 is amended to read as follows:

(1) Any person who violates any of the provisions of KRS 276.070 shall be fined not less than one thousand dollars ($1,000) nor more than five thousand dollars ($5,000).

(2) Any express company that violates any of the provisions of subsection (1) of KRS 276.090 shall be fined not more than one thousand dollars ($1,000).

(3) Any express company or carrier of property by water, and any officer, employe or person in possession of the books, papers or correspondence of such company or carrier, who refuses to produce such

books, papers and correspondence when required by the railroad commission under subsection (3) of KRS 276.100, shall be fined not more than one thousand dollars ($1,000).

(4) Any person who neglects or refuses to obey a subpoena for his attendance as a witness issued by the railroad commission under subsection (4) of KRS 276.100, or who refuses to testify when in attendance, shall, for each offense, be fined not less than fifty dollars ($50.00) nor more than one hundred dollars ($100), or imprisoned in the county jail for not less than ten (10) days nor more than fifty (50) days, or both.

(5) Any person in possession of the books, correspondence or papers of any express company or carrier of property by water who refuses to produce such books, correspondence or papers when demanded by the railroad commission under subsection (4) of KRS 276.100 shall be fined not more than five hundred dollars ($500), or imprisoned in the county jail for not more than six (6) months.

(6) Any officer, agent or employe of a railroad company who fails or refuses to make under oath, within the time required, any report required by the railroad commission, or who fails or refuses to answer fully under oath, when required, any inquiry propounded by the commission, shall be fined not less than five hundred dollars ($500) nor more than one thousand dollars ($1,000).

(7) If any carrier violates any of the provisions of KRS 276.140 and the person making the request suffers damage in consequence thereof, through making the shipment over a route or line for which the proper rate is higher than the rate over another available route or line, or through entering into any contract or sale under which such person obligates himself to make the shipment at his cost, the carrier shall be liable to a penalty of two hundred and fifty dollars ($250), which shall accrue to the state and may be recovered in a civil action brought by the state.

(8) Any carrier or officer, agent or employe thereof who knowingly or wilfully fails to comply with any order of the railroad commission made and entered under subsection (2) of KRS 276.200 shall be punished in the same manner as is provided in subsection (17) of this section for violations by railroads of subsection (2) of KRS 276.310.

(9) Any carrier by rail or carrier by water, or agent or employe thereof, who violates any order issued by the railroad commission under KRS 276.210 shall be fined not more than one thousand dollars ($1,000) for the first offense, not more than three thousand dollars ($3,000) for the second offense, and not more than five thousand dollars ($5,000) for every succeeding offense.

(10) Any carrier that violates the provisions of subsection (1) of KRS 276.230 shall, unless exonerated as provided in subsection (2) of KRS 276.230, be fined for each offense not less than one hundred dollars ($100) nor more than five hundred dollars ($500).

(11) Any person who violates any of the provisions of subsections (1) or (3) of KRS 276.240 shall, for each offense, be fined not less than five hundred dollars ($500) nor more than two thousand five hundred dollars ($2,500), or imprisoned in the county jail for not less than thirty (30) days nor more than ninety (90) days, or both. No person within the purview of KRS 276.240 shall be privileged from testifying in relation to anything prohibited by that section, but no person having so testified shall be liable to prosecution or punishment for any offense concerning which he was required to give his testimony.

(12) Any common carrier of passengers that fails to file the report required by KRS 276.250 within the time required by that section shall be fined one thousand dollars ($1,000).

(13) Any officer of a common carrier of passengers who makes a false statement in a report required by KRS 276.250 shall be imprisoned in the penitentiary for not less than one (1) year nor more than five (5) years.

(14) Any express company or carrier of property by water that violates any of the provisions of KRS 276.260 shall be fined not more than one thousand dollars ($1,000).

(15) Any common carrier that violates any of the provisions of KRS 276.270 shall be fined one thousand dollars ($1,000) for the first offense and two thousand dollars ($2,000) for each subsequent offense. Any other person who violates any of the provisions of that section shall be fined five hundred dollars ($500) for the first offense and one thousand dollars ($1,000) for each subsequent offense. Each person transported or furnished transportation in violation of KRS 276.270 shall be deemed a separate offense.

(16) Any express company or carrier of property by water that violates any of the provisions of KRS 276.290 shall be fined not more than five hundred dollars ($500) for the first offense, not more than one thousand dollars ($1,000) for the second offense, and not more than two thousand dollars ($2,000) for any subsequent offense. Any railroad company that violates any of the provisions of that section shall be fined not less than five hundred dollars ($500) nor more than one thousand dollars ($1,000) for the first offense, not less than five hundred dollars ($500) nor more than two thousand dollars ($2,000) for the second offense, and not less than two thousand dollars ($2,000) nor more than five thousand dollars ($5,000) for any subsequent offense. Any express company, carrier of property by water or railroad company that violates any of the provisions of KRS 276.280, 276.290 or 276.300 shall also be liable in damages to the person aggrieved to the amount of damages sustained, together with the costs of suit and reasonable attorneys' fees to be fixed by the court.

(17) Any express company or carrier of property by water, or officer, agent or employe thereof, who violates any of the provisions of subsection (2) of KRS 276.310 shall be fined not more than one thousand dollars ($1,000) for the first offense, not more than two thousand dollars ($2,000) for the second offense, and not more than five thousand dollars ($5,000) for any subsequent offense. Any railroad company, or officer, agent or employe thereof, who violates any of the provisions of that subsection shall be fined not less than five hundred dollars ($500) nor more than one thousand dollars ($1,000) for the first offense, not less than one thousand dollars ($1,000) nor more than two thousand dollars ($2,000) for the second offense, and not less than two thousand dollars ($2,000) nor more than five thousand dollars ($5,000) for any subsequent offense.

(18) Any carrier by rail or carrier of property by water, or agent, employe, trustee or receiver of such carrier, who knowingly or wilfully fails to comply with an order made by the railroad commission under KRS 276.320 within thirty (30) days after the order is entered by the commission on its records and a copy of the order is mailed to the general freight agent of the carrier, shall be fined not more than two hundred and fifty dollars ($250) for the first offense, not more than five hundred dollars ($500) for the second offense, and not more than two thousand five hundred dollars ($2,500) for the third offense. Every distinct violation shall be a separate offense, and in case of a continuing violation each day shall be deemed a separate offense.

(19) Any railroad company that violates any of the provisions of KRS 276.400 shall be fined not less than one hundred dollars ($100) nor more than five hundred dollars ($500) for each offense.

(20) Any railroad company that violates or permits any of its employes or agents to violate any of the provisions of subsection (2) of KRS 276.410 or subsection (1) of KRS 276.430 shall be fined not less than one hundred dollars ($100) nor more than five hundred dollars ($500) for each offense, and shall be liable for any damages caused by the violation.

(21) Any railroad company that violates any of the provisions of subsections (2) or (3) of KRS 276.430 shall be fined not less than ten dollars ($10.00) nor more than twenty dollars ($20.00) for each offense.

(22) Any person who violates any of the provisions of subsections (1) or (3) of KRS 276.450 shall be fined not less than fifty dollars ($50.00) nor more than five hundred dollars ($500), or confined in the county jail for not less than ten (10) days nor more than one hundred days (100), or both.

(23) Any railroad company that violates any of the provisions of KRS 276.480 shall be fined not less than one hundred dollars ($100), nor more than five hundred dollars ($500) for each offense.

(24) Any person who violates any of the provisions of subsection (1) of KRS 276.490 shall be fined not more than five hundred dollars ($500) for each offense.

(25) Any person who violates any of the provisions of subsection (2) of KRS 276.490 shall be fined not less than five hundred dollars ($500) nor more than one thousand dollars ($1,000) for each offense.

(26) Any carrier by rail or carrier by water, or officer, agent or employe thereof, who violates any of the provisions of KRS 276.020, 276.060, 276.130, 276.140, 276.150, 276.160, 276.170, 276.200 (2) (3) (4), 276.220, 276.320, 276.330 (2) or 276.370, or who fails to comply with any order of the railroad commission made and entered pursuant to the provisions of those sections, and any officer, agent or employe of any such carrier who fails to perform any duty or obligation required to be performed by such carriers under the provisions of those sections, shall, if no other penalty is provided by this section for such violation or failure, be fined not less than five hundred dollars ($500) nor more than one thousand dollars ($1,000) for each offense.

(27) Any railroad company that violates any of the provisions of Section 1 of this Act shall be fined not less than one thousand dollars ($1,000) for the first offense, and thereafter, two thousand dollars ($2,000) for each subsequent violation. Each violation constitutes a separate offense.

Floor Amendment No. 2 to **SB 26,** by Representative LeMaster:

Amend printed copy of GA copy of **SB 26,** on page 2, after line 24, by adding the following:

SECTION 1. A NEW SECTION OF KRS CHAPTER 161 IS CREATED TO READ AS FOLLOWS:

(1) No later than August 15, 1984, the governor shall appoint a fifty (50) member committee composed of the state superintendent of public instruction and representatives from each of the following groups:

(a) Kentucky colleges and universities;

(b) The department of education;

(c) The council on teacher education and certification;

(d) The Kentucky education association;

(e) The Kentucky chamber of commerce;

(f) The Kentucky parent-teachers associations;

(g) The Kentucky association of school administrators;

(h) The Kentucky school boards association; and

(i) Citizens at large.

(2) No later than July, 1, 1985, the committee shall:

(a) Identify the appropriate steps of a career ladder;

(b) Identify the training and competency requirements for each step;

(c) Develop a plan for placing currently certified teachers at the appropriate step;

(d) Develop a plan for transition from the existing salary schedule to a salary schedule which is compatible with the career ladder; and

(e) Select or develop an appropriate evaluation system to measure competency of new teachers and of teachers advancing on the career ladder.

(3) Areas of competency specified in subsection (3) of this section shall include, but not be limited to, an understanding of school curriculum, teaching practices and procedures, use of materials, discipline, knowledge of the learning process and academic content.

(4) The department of education shall be responsible for convening all meetings of the committee and provide technical assistance for the committee. The committee shall complete its work by July 1, 1985, and shall submit its report to the state board of education, legislative research commission, and the interim joint committee on education for review, and the report shall be presented to the general assembly in 1986.

(5) The committee shall develop an inservice training program for all school principals by August 15, 1985. The department of education shall implement the program as funds become available. The program shall include but not be limited to supervision of instruction, curriculum planning, discipline, cooperation with parents, working with students, maintenance and operation of school buildings, handling of extra curriculum activities, and faculty planning and improvement. Included in the program shall also be a

statewide system of evaluation on both performance and knowledge.

(6) All teachers who enter the teaching profession and are employed as regular teachers beginning with the 1984-85 school year shall be classified as interns and shall enter the profession on the career ladder. For the 1984-85 school year, teachers who were employed in a school system during the previous school year shall remain in the appropriate classification established by KRS 157.390. All out-of-state teachers shall serve the one (1) year internship and comply with all requirements of the internship program.

(7) Any teacher who is employed during the 1984-85 school year, other than interns, may apply for admission to the career ladder during the 1985-86 school year. If all requirements have been met, the teacher will be placed at the appropriate level on the career ladder in the 1986-87 school year. Any currently employed teacher may apply for admission to the professional ladder program at any time in the future or choose to remain on the current ranking program. Admission and advancement in the program shall be governed by the criteria developed by the committee established by subsection (1) of this section.

SECTION 3. A NEW SECTION OF KRS CHAPTER 158 IS CREATED TO READ AS FOLLOWS:

(1) In cooperation with the Kentucky education association, the Kentucky school boards association, the Kentucky association of school administrators, the parent-teachers association, the Kentucky chamber of commerce, the farm bureau, members of the interim joint committee on education and other interested groups, the department of education shall develop statewide student discipline guidelines and recommendations designed to reduce the dropout rate in the state's public schools.

(2) The department shall obtain statewide data on major discipline problems and reasons why students drop out of school. In addition, strategies currently being used successfully in programs in Kentucky and in other states shall be incorporated into the statewide guidelines and the recommendations to reduce dropouts.

(3) Copies of the discipline guidelines shall be distributed to all school districts by January 1, 1985. The statewide guidelines shall contain broad principles to guide local districts in developing their own discipline code, which shall be filed with and approved by the state department of education and state board of education. The local code shall be distributed to all students and parents in the district.

(4) The recommendations to reduce dropouts shall be implemented during the 1985-86 school year. The department of education shall first provide technical assistance to those districts reporting the greatest number of dropouts. Reporting requirements shall be established by the department of education; however, reports shall be prepared in a manner that will provide data on successful strategies for dropout prevention.

SECTION 4. A NEW SECTION OF KRS CHAPTER 157 IS CREATED TO READ AS FOLLOWS:

(1) The state board of education shall stipulate that at least seventy percent (70%) of the time in each elementary school week shall be spent on basic skills. These skills include reading, spelling, writing, library skills, and mathematics which shall be required until such time as each student demonstrates the expected competency. This applies to the first eight (8) grades of school regardless of the organizational pattern of the school. In addition, subject matter content in the elementary schools for this seventy percent (70%) time block shall consist of social studies, mathematics, science, language arts and library skills. The remainder of the week may be scheduled by the local school in accordance with regulations of the state board of education and may include msuic, art, physical education, health, career education, environmental education and consumer education as a part of the elective program.

(2) The state board of education shall further stipulate that all secondary school students in grades nine (9) through twelve (12) shall continue to develop competency in reading and writing, including grammar and spelling with sixty percent (60%) of thheir time being devoted to courses contained in the curriculum areas of language arts, science, mathematics and social studies. The school system shall provide appropriate elective courses, including vocational subjects, for the remainder of the student's program.

(3) In enacting this legislation, the general assembly is supplementing the provisions of the Educational Improvement Act of 1978 and, by so doing, reaffirms the requirements of that legislation as placed on the state department of education and local school districts. Furthermore, the superintendent of public instruction is hereby directed to fully carry out the purpose and intent of that legislation and all that it

entails in providing for a program of quality education in the Commonwealth.

SECTION 5. A NEW SECTION OF KRS CHAPTER 157 IS CREATED TO READ AS FOLLOWS:

The department of education shall develop, or cause to be developed, a statewide kindergarten program which shall include basic principles of child development, early childhood education, and all other related concepts which deal with generally accepted kindergarten programs. This program shall be implemented statewide by the department of education beginning in the 195-86 school year.

Section 6. KRS 157.360 is amended to read as follows:

(1) In determining the cost of the foundation program for each district, the superintendent of public instruction shall allot to each district classroom units for elementary and secondary schools, classroom units for vocational education, classroom units for exceptional children, classroom units for kindergarten, classroom units for gifted and talented children when units are included in the executive budget, classroom units for superintendents, administrative and special instructional services, classroom units for supervisors of instruction, and classroom units for directors of pupil personnel; provided, however, that the number of classroom units allotted any district shall not exceed the number of teachers employed by the district.

(2) (a) In allotting classroom units for elementary and secondary schools, one (1) classroom unit shall be included for each *twenty-five (25) full time equivalent pupils in average daily attendance in kindergarten; except when sufficient funding is appropriated to the kindergarten program, one (1) unit shall be provided for each twenty (20) full-time equivalent pupils in average daily attendance. One (1) classroom unit shall be included for each twenty-five (25) pupils in average daily attendance in grades one (1) through three (3) and for each* twenty-seven (27) pupils in average daily attendance in grades *four (4)* [~~one (1)~~] through twelve (12); provided, however, that one (1) classroom unit shall be included for each isolated one-teacher school with twelve (12) or more pupils in average daily attendance and one (1) unit shall be included for each twenty-five (25) pupils in average daily attendance at all other isolated schools. The allotments of classroom units in this subsection shall be made on the average daily attendance for the end of the previous school year in public school grades one (1) through twelve (12) after the following deductions:

1. An average daily attendance of six and nine-tenths (6.9) in 1978-79 and eight and four-tenths (8.4) in 1979-80 shall be deducted for each vocational unit allotted; and

2. An average daily attendance of five and one-tenth (5.1) in 1978-79 and six and three-tenths (6.3) in 1979-80 shall be deducted for each exceptional children's unit allotted.

(b) *The superintendent of public instruction shall enforce maximum class sizes for every academic course requirement of the state board of education in kindergarten and grades one (1) through six (6) except in vocal and instrumental music, art, physical education and special education classes. It is the intention of the general assembly that school districts shall adhere to class sizes upon which funding is based, except where compliance is not practical. Through constant review of classroom size in all districts, the department of education shall prevent school districts from using class size maximums in order to avoid establishing an additional classroom when the number of students is sufficient for an additional unit. The maximum number of pupils enrolled in a class shall be calculated by adding four (4) to the average daily attendance figure upon which funding of the unit is appropriated in the biennial budget. The superintendent of public instruction, upon approval of the state board of education, shall adopt regulations for enforcing this provision. These regulations shall include procedures to permit a superintendent to request an exemption from the state board of education when unusual circumstances warrant an increased class size for an individual class. A request for an exemption shall include specific reasons for the increased class size with a plan for reducing the class size prior to the beginning of the next school year.*

(c) If a local school district through its admission and release committee determines that an appropriate program in the least restrictive environment for a particular handicapped child includes either part-time or full-time enrollment with a private school or agency within the state or a public or private agency in another state, then the school district shall count this as average daily attendance in a public school the time that such child is in attendance at such school or agency, contingent upon approval by the state superintendent of public instruction and pursuant to KRS 158.130.

(d)[~~(c)~~] Pupils attending a center for child learning and study established under an agreement pursuant to KRS 65.210 through 65.300 shall, for the purpose of calculating average daily attendance, be

considered as in attendance in the school district in which the child legally resides and which is party to the agreement. For purposes of KRS 157.360(1), teachers employed in such a center shall be considered as employes of each school district which is a party to the agreement.

(3) Allotments of classroom units except those allotted in accordance with seubsection (4) of this section, shall be increased when the average daily attendance in grades one (1) through twelve (12) in any district for the first two (2) months of the current school year is greater than the average daily attendance of the district in grades one (1) through twelve (12) for the first two (2) months of the previous school year. The total number of classroom units allotted the district shall be increased by the percent of increase.

(4) If the percentage of attendance of any school district shall have been reduced more than two percent (2%) during the previous school year, the number of classroom units allotted the district, except those allotted in accordance with subsection (3) of this section, for the current school year shall be increased by the difference in the percentage of attendance for the two (2) years immediately prior to the current school year less two percent (2%).

(5) In allotting classroom units for vocational education, one (1) classroom unit shall be allotted for each full-time teacher, and a proportionate fraction of a classroom unit shall be allotted for each less than full-time teacher of vocational classes that meet the regulations of the state plan of vocational education as approved by the state board of education; a proportionate fraction of a classroom unit shall be allotted for each teacher employed to teach part-time or short unit classes for less than a school day or a school year that meet the regulations of the state plan of vocational education as approved by the state board of education. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without approval of the governor.

(6) (a) In allotting classroom units for exceptional children, one (1) classroom unit shall be included upon the employment of each teacher approved to teach such children in accordance with the provisions of law and Kentucky administrative regulations of the state board of education. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without approval of the governor. In addition to the classroom units allotted above, if a local school district, through its admission and release committee, determines that the most appropriate and least restrictive individual educational program for a particular handicapped child includes either part-time or full-time enrollment with a private school or agency, the school district shall be reimbursed in addition to the amount distributed under KRS 157.390(6), a pro rata allotment for those pupils under contract. The pro rata amount shall be calculated by dividing the district's average salary allotted for 185 days plus the current expense and capital outlay allotment per classroom unit by the maximum number of pupils required by regulations for the pupil's specific type of classroom unit.

(b) The superintendent of public instruction shall limit approval of additional private agencies for participation in state funding for the above cited program to those funds appropriated for this purpose in each biennial budget.

(7) (a) In allotting classroom units for administrative and special instructional services, the total number of classroom units allotted in subsections (2), (10) and (12) plus subsections (5) and (6) *of this section* before July 1, 1976 shall be divided by eight (8) and the quotient shall be the number of classroom units allotted to the district under this subsection.

(b) The total number of units allotted under subsection (5) beyond those allotted in the school year 1975-76 times six and nine-tenths (6.9) in 1978-79 and eight and four-tenths (8.4) in 1979-80 average daily attendance plus the total number of units allotted under subsection (6) *of this section* beyond those allotted in the school year 1975-76 times five and one-tenth (5.1) in 1978-79 and six and three-tenths (6.3) in 1979-80 average daily attendance shall be divided by two hundred and sixteen (216) and the quotient shall be the number of classroom units allotted to the district under this subsection.

(c) The total of *paragraph* [~~subsection~~] (a) plus *paragraph* [~~subsection~~] (b) *of this subsection* shall be the number of classroom units allotted the district for administrative and special instructional services as authorized by Kentucky administrative regulations of the state board of education.

(8) In allotting classroom units for supervisors of instruction, one-half (1/2) of a classroom unit shall be allotted each district which is allotted twenty-five (25) through forty-nine and nine-tenths (49.9) classroom units under subsections (2), (5), (6), (10) and (12) *of this subsection*; one (1) unit shall be allotted each district which is allotted fifty (50) to one hundred (100) classroom units, one (1) unit shall be allotted for each one

hundred (100) classroom units, or major fraction thereof, in districts allotted more than one hundred (100) classroom units under these subsections.

(9) In allotting classroom units for directors of pupil personnel, one (1) classroom unit shall be allotted each district which is allotted thirty-six (36) to one hundred and sixty-five and nine-tenths (165.9) classroom units under subsection (2) *of this section* and a unit for each additional two hundred and sixty-six (266) classroom units or fraction thereof allotted under subsection (2) *of this section*. For districts having fewer than thirty-six (36) classroom units, a proportionate fraction of a classroom unit shall be allotted.

(10) In allotting classroom units for kindergarten, the superintendent of public instruction, under Kentucky administrative regulations of the state board of education, may allot units for kindergarten. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without approval of the governor.

(11) In allotting classroom units for superintendent, one unit shall be allotted each school district.

(12) In allotting classroom units for gifted and talented children, the superintendent of public instruction, under Kentucky administrative regulations of the state board of education, may allot units for gifted and talented children. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without the approval of the governor.

Section 7. KRS 158.030 is amended to read as follows:

A "common school" is an elementary or secondary school of the state supported in whole or in part by public taxation. No school shall be deemed a "common school" or receive support from public taxation unless the school is taught by a qualified teacher for a term of eight (8) or more months during the school year and every child residing in the district who satisfies the age requirements of this section has had the privilege of attending it. Provided, however, that any child who is six (6) years of age or who may become six (6) years of age by October 1, 1979, and any year thereafter, shall attend public school as provided by KRS 157.315 or qualify for an exemption as provided by KRS 159.030. Any child who is five (5) years of age or who may become five (5) years of age by October 1, 1979, and any year thereafter, may enter a public school kindergarten. *Effective July 1, 1987, successful completion of kindergarten shall be a prerequisite for a child's entrance into the first grade. The state board of education shall establish, by regulation, methods of verifying successful completion of kindergarten and any extenuating circumstances for which waiver of the above prerequisite may be granted. The local school district, with the approval of the state department of education, may organize the local kindergarten program in the manner most appropriate to the local situation provided the plan assures that each child receives an average of fifteen (15) hours class time per week. The local district may use five (5) three (3) hour sessions per week; alternate sessions of three (3) days a week with one group and two (2) days a week with a second group with the two (2) groups reversing days every other week; or any other approved plan.* [~~Any child who has successfully completed kindergarten and shall be six (6) years of age by December 31, 1980 shall be eligible for enrollment in the first grade notwithstanding any other age requirements of this section, and any child who has attended nursery school and will be five (5) years of age on or before December 31, 1980 shall be eligible for enrollment in a public kindergarten program in the 1981-82 school year and in the first grade during the 1982-83 school year.~~]

Section 8. To carry out the purposes of Section 2 and Section 4 of this Act, there is appropriated to the department of education out of the General Fund of the State Treasury the sum of $100,000 for the 1984-86 biennium.

Floor Title Amendment to **SB 105**, by Representative Perkins:

Amend printed copy of **SB 105**, on page 1, by amending the title to read as follows: AN ACT relating to alcoholic beverages.

Floor Amendment No. 1 to **SB 105**, by Representative Perkins:

Amend printed copy of **SB 105**, on page 2, after line 2, by adding the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 242 IS CREATED TO READ AS FOLLOWS:

No provision in this chapter shall be construed to authorized a local option election in any territory other than a county as a whole or a city of the first four (4) classes with sole exceptions being KRS 242.125, *242.1292, 242.127 and 242.130.*"

Floor Amendment No. 1 to **SB 153**, by Representative R. Jones:

Amend printed copy of **SB 153**, on page 5, by adding after line 15, the following:

"SECTION 7. A NEW SECTION OF KRS CHAPTER 45 IS CREATED TO READ AS FOLLOWS:

(1) By July 31 of each year all contractural bodies defined in KRS 45.700(1)(a) shall file with the legislative research commission a listing of all non-competetively bid agreements entered into during the previous fiscal year and exempt by KRS 45.700(1)(d).

(2) The listing provided for in subsection (1) of this section shall include, but not be limited to: vendor's name and address; agreement number; type of service performed; effective date of agreement; dollar amount contracted for; dollar amount actually spent; and disposition of balance, if any.

SECTION 8. A NEW SECTION OF KRS CHAPTER 45 IS CREATED TO READ AS FOLLOWS:

(1) By July 31 of each year all institutions defined in KRS 164A.550(2) shall file with the legislative research commission a listing of all personal service contracts entered into during the previous fiscal year.

(2) The listing provided for in subsection (1) of this section shall include, but not be limited to: vendor's name and address; contract number; type of service performed; effective date of contract; dollar amount contracted for; dollar amount actually spent; and, disposition of balance, if any.

Section 9. KRS 45.715 is amended to read as follows:

(1) There is hereby created a permanent subcommittee of the legislative research commission to be known as the personal service contract review subcommittee. The subcommittee shall be composed of seven (7) members which shall include members of the minority party as nearly proportioned to their membership in the general assembly as mathematically possible. The legislative research commission shall appoint from the membership of the general assembly, the members of the subcommittee for terms of two (2) years, and the members so appointed shall elect one (1) of their number to serve as chairman. Any vacancy which may occur in the membership of the subcommittee shall be filled by the legislative research commission at its next regularly scheduled meeting after the occurrence of the vacancy.

(2) The subcommittee shall meet monthly at such time and place as the chairman may determine. The members of the subcommittee shall be compensated for attending meetings, as provided in KRS 7.090(2).

(3) Any professional, clerical or other employes required by the subcommittee shall be provided in accordance with the provisions of KRS 7.090(4) and (5).

(4) All copies of proposed personal service contracts received by the legislative research commission shall be submitted to the subcommittee to:

(a) Examine the stated need for the contract service;

(b) Examine whether the service could or should be performed by state personnel; and

(c) Examine the cost and duration of the contract.

[~~The subcommittee's finding that the contract service is not needed, the service could and should be performed by state personnel, the cost is excessive, or the duration is excessive shall be reported to the contracting body.~~]

(5) In the event the subcommittee believes that the contract service, other than an emergency contract approved by the governor, is not needed, the service could and should be performed by state personnel, the cost is excessive, or the duration is excessive, the subcommittee shall attach to the personal service contract a written notation of its disapproval or objection, including a statement of the reasons therefor, and shall return the personal service contract to the *secretary of the finance and administration cabinet* [~~contracting body~~]. Notice of such disapproval or objection shall be given by the subcommittee to the director of the legislative research commission. The subcommittee shall act on a personal service contract submitted to the legislative research commission within *forty-five (45)* [~~thirty (30)~~] days of the submission of the personal service contract.

(6) Upon receipt of the subcommittee's disapproval or objection to a personal service contract, [~~(5) All personal service contracts objected to or disapproved by the subcommittee shall be forwarded to the finance and administration cabinet.~~] the secretary of the finance and administration cabinet shall determine whether a personal service contract:

(a) Shall be revised to comply with the objections of the subcommittee; or

(b) Cancelled if disapproved by the subcommittee; or

(c) Remain effective as originally approved by the finance and administration cabinet.

(7)[~~(6)~~] The *secretary of the* finance and administration cabinet shall notify the subcommittee of the action taken on personal service contracts referred to the finance and administration cabinet by the subcommittee within thirty (30) days from the date the contracts were reviewed by the subcommittee. *If the action taken is contrary to the subcommittee's action, he or his designee shall appear before the subcommittee*

at its next scheduled meeting, to explain the reasons for the contradiction.

(8)[~~(7)~~] The subcommittee shall report monthly to the legislative research commission all action taken on personal service contracts by the finance and administration cabinet and the subcommittee.

Floor Amendment No. 1 to **SB 169**, by Representative LeMaster:

Amend printed copy of **SB 169**, on page 1, line 7, by deleting "*158.650*" and inserting "*158.730*" in lieu thereof.

On page 1, line 13, by deleting "*158.650*" and inserting "*158.730*" in lieu thereof.

On page 2, line 10, by deleting "*158.650*" and inserting "*158.730*" in lieu thereof.

Floor Amendment No. 2 to **SB 169**, by Representative LeMaster:

Amend printed copy of **SB 169**, on page 1, line 7, after "*KRS 158.650*" insert the following: "*through 158.730*"; and

on page 1, line 13, after "*KRS 158.650*" insert the following: "*through 158.730*"; and

On page 2, line 10, after "*KRS 158.650*" insert eh following: "*through 158.730*".

Floor Amendment No. 1 to **SB 191**, by Representative B. Smith:

Amend printed copy of **SB 191**, on page 5, after line 12, by adding the following:

SECTION 7. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO READ AS FOLLOWS:

(1) A division of surplus property is hereby established in the department of administration in the finance and administration cabinet. The division shall be headed by a director appointed by the secretary subject to the provisions of KRS 12.050. The director of the division shall report to the commissioner of the department of administration.

(2) The division of surplus property shall have responsibility for the disposal of all surplus property of the state except real estate and interests in real estate. The division shall be authorized and empowered to receive, warehouse, and distribute surplus property under the provisions of the federal property and administrative services act of 1949, as amended, and other federal laws relating to surplus property. The division shall comply with federal laws and regulations in the administration of surplus property received through federal agencies and the secretary may promulgate regulations necessary to comply with minimum standards established therein.

(3) The secretary may establish, charge and collect from donees of federal surplus property a fair and reasonable fee or service charge which shall be used to defray the cost of operating the division of surplus property.

Section 8. All funds, property, personnel, and equipment of the division of surplus property in the department of education are hereby ordered transferred to the finance and administration cabinet. The superintendent of public instruction, the secretary of the finance and administration cabinet, and the commissioner of the department of personnel shall take all action necessary and appropriate to effect such transfers.

Section 9. KRS 156.022, Division of Surplus Property, is repealed.

Floor Amendment No. 2 to **SB 191**, by Representative B. Smith:

Amend printed copy of **SB 191**, on page 5, after line 12, by adding:

Section 7. KRS 42.350 is amended to read as follows:

(1) The area development fund in the state treasury shall be administered by the *department for local government* [~~finance and administration cabinet~~]. The fund may receive state appropriations, gifts, grants and federal funds and shall be disbursed by the state treasurer upon the warrant of the *commissioner of the department for local government* [~~secretary of the finance and administration cabinet~~]. Any unallotted or unencumbered balances in the fund shall be invested in United States government securities maturing not later than one (1) year from the date of investment and the income from such investments shall be prorated for expenditure for capital projects in area development districts according to the formula provided in KRS 42.370.

(2) Money in the fund shall be used only for capital projects which contribute to community or industrial development in the Commonwealth, KRS 45.050 notwithstanding. Capital projects eligible for financing out of the fund include and shall be limited to:

(a) The construction, reconstruction, renovation and maintenance of buildings and other improvements to real estate;

(b) The acquisition of real property and interests in real property;

(c) The purchase of major items of equipment;

(d) Industrial site development projects, including land reclamation, clearing, grading, draining, landscaping, and the construction of walkways and fences;

(e) The extension and installation of water, gas, sewer, and electrical utilities lines to public facilities and industrial sites;

(f) The provision of solid waste management or disposal systems bringing counties into compliance with state or federal law. All expenses incurred in connection with or incidental to the construction or acquisition of a capital project under this section, including architectural, engineering, legal, and other expenses required for such projects may be paid out of the fund. Money in the fund may be used to retire a mortgage or other indebtedness encumbering an eligible capital project made *within the preceding five (5) calendar years* [~~on and after January 1, 1977~~] to secure the repayment of monies loaned or advanced to finance the construction or acquisition of such project, and may be used in match or in combination with funds obtained from other sources for an eligible capital project. No money shall be expended out of the fund, directly or indirectly, to pay or reimburse the cost of any feasibility study, master plan for any capital improvement development or redevelopment project, the purchase of consumable supplies or any administrative salary, or other operating or capital expense of any area development district, or for the acquisition, construction, reconstruction, renovation or maintenance of any building or property of schools, state institutions of higher learning, or any road, street, bridge or highway.

(3) The board of directors of each area development district shall determine from among the capital project proposals submitted by eligible beneficiary agencies, the capital projects to be proposed to be constructed or acquired out of the fund. The area development districts shall submit to the *commissioner of* [~~secretary of the finance and administration cabinet through~~] the department for local government the capital projects selected for construction or acquisition within the districts. Each project proposal shall include: a detailed description of the project; a statement of the public benefit to be derived from the project; if available, design plans and specifications for the project; an itemized estimate of the cost of the project; a statement of the sources and amounts of funds available from any other source for the construction or acquisition of the project; and such other information relating to the proposed capital project as the department for local government [~~or the finance and administration cabinet~~] may require.

Section 8. KRS 42.355 is amended to read as follows:

(1) The department for local government shall examine each capital project selected by the area development districts, and when it finds that a proposed project conforms to the requirements of KRS 42.350 to 42.370; that the estimated costs of the project are reasonable; that the costs proposed to be paid from the fund are within the amount available; and that the proposed beneficiary agency will be reasonably able to finance the operation and maintain the capital project during its estimated useful life, the commissioner of the department for local government shall *approve it* [~~transmit the project proposal to the secretary of the finance and administration cabinet with a recommendation for approval~~]. If the department for local government determines that a capital project proposal does not conform to the requirements of KRS 42.350 to 42.370, that the estimated costs of the project are excessive or unreasonable in light of the public benefit to be derived from the project; or; the unencumbered balance in the fund available for expenditure in the area development district is insufficient to pay the costs of the project, or the part thereof proposed to be paid out of the fund, or the beneficiary agency cannot reasonably finance the operation of or maintain the capital project during its estimated useful life, the project proposal shall be disapproved by the department for local government. The final decision to either approve or disapprove any project proposal shall be made no later than forty-five (45) days following official submittal *of a complete proposal* by the area development district, and the area development district shall be accordingly notified at that time.

(2) [~~When the secretary of the finance and administration cabinet has approved a capital project, the finance and administration cabinet shall cause detailed cost estimates, site surveys, appraisals, architectural and engineering designs, and plans and specifications to be prepared, award and enter into contracts, and do all other things necessary and proper for the construction or acquisition of the capital project; provided, however, that the department may, in its discretion, adopt and rely upon detailed cost estimates, site surveys, appraisals, architectural designs and plans and specifications for capital projects prepared for and submitted by the beneficiary agency of the proposed project.~~

~~(3) Except when a direct grant for a capital project is made to a beneficiary agency as authorized under subsection (4) of this section, the finance and administration cabinet shall award and administer, or shall delegate to beneficiary agencies, and control, the award and administration of all contracts for the construction or acquisition of all capital projects wholly financed out of the fund, in accordance with the~~

~~provisions of KRS Chapters 45 and 56. All contracts awarded under this section for the construction, reconstruction or renovation of a building or other improvement to real estate shall be deemed to be contracts for public works within the meaning of KRS 341.317 and KRS Chapter 376 and other applicable laws.~~

~~(4)~~] The [~~secretary of the finance and administration cabinet, after consultation with the~~] commissioner of the department for local government[~~,~~] may make direct grants in aid of money out of the fund to any beneficiary agency for the construction or acquisition of any approved capital project[~~, the estimated cost of which does not exceed the greater amount of fifty thousand dollars ($50,000), or one-third (1/3) of the total estimated cost of the project.~~] When a direct grant in aid has been made to a beneficiary agency, all contracts awarded for the purchase of materials, supplies, equipment or services, except professional and technical services, required for the construction or acquisition of the project shall be awarded to the lowest and best bidder in the discretion of the beneficiary agency after public advertisement as required by KRS Chapter 424 or other applicable law. *All contracts awarded under this section for the construction, reconstruction or renovation of a building or other improvement to real estate shall be deemed contracts for public works within the meaning of KRS 341.317 and KRS Chapter 376 and other applicable statutes.* All beneficiary agencies receiving a direct grant in aid under this subsection shall keep and maintain complete and accurate records of accounts of all expenditures of the grant monies which shall be subject to audit by the Commonwealth for a period of five (5) years after completion of the capital project. *Beneficiary agencies shall complete approved capital projects within a reasonable period of time as determined by the department for local government. Upon completion of capital projects, beneficiary agencies shall submit project completion reports to the department for local government as prescribed by the department for local government and containing such documents and information as may be necessary to determine compliance with KRS 42.350 through 42.360 and other applicable statutes and administrative regulations. Beneficiary agencies shall be liable to repay to the fund any granted funds for failure to submit full project completion reports within a reasonable period of time or for expenditure of granted funds in violation of statutes and regulations. No additional area development funds may be approved until compliance, except at the discretion of the commissioner of the department.* Any grant monies not required after all of the costs of the capital project have been paid by the beneficiary agency shall be promptly returned to the Commonwealth for reallocation for expenditure for other capital projects in the area development district to which such funds had been originally allocated.

(3)[~~(5)~~] No capital project shall be constructed under KRS 42.350 to 42.370 except upon land to which (a) the Commonwealth, a political subdivision of the Commonwealth or the beneficiary agency of the capital project has a good and marketable title, free of encumbrances, or (b) the beneficiary agency of the project has the right to the uninterrupted use, occupancy and possession for a period longer than the estimated useful life of the capital project; provided nothing herein shall prohibit the construction or renovation of public buildings on land with an existing encumbrance to secure payment of funds obtained for the acquisition or improvement of said land. Each beneficiary agency shall execute and deliver to the Commonwealth its written assurances, which shall be binding on such agencies' successors and assigns, guaranteeing that during its estimated useful life, the capital project shall be operated and maintained for public purposes and pledging that no mortgage or other encumbrances shall be placed against any capital project wholly financed out of the fund, except industrial development projects, for the breach of which assurances the Commonwealth shall have right of entry to the capital project and the beneficiary agency, or its successors and assigns, shall forthwith convey the title to the capital project to the Commonwealth. Similar assurances shall be executed and delivered to the Commonwealth by the beneficiary agencies of capital projects financed in part out of the fund and in part from other sources, except that when such additional funding is derived from the issuance and sale of revenue bonds or under other statutorily authorized financing methods, to secure the repayment of which funds a statutory mortgage lien is granted in favor of any person or group of persons, the capital project may be encumbered to the extent authorized or required by the law under which such financing method was undertaken; nor shall anything in this section prohibit the encumbrance of any real property located within an industrial park or constituting an industrial site, developed or improved as a capital project under KRS 42.350 and this section, by any person, firm, company, partnership, or corporation to which such property has been conveyed, to obtain financing for the construction upon such property of industrial and commercial buildings. The written assurances provided by beneficiary agencies under this section shall be lodged for recording and recorded in the office of the county clerk of the county in which the proposed project shall be located.

Section 9. KRS 42.360 is amended to read as follows:

The *commissioner of the department for local government* [~~secretary of the finance and administration cabinet~~] shall promulgate such rules and regulations governing submission and approval of proposed capital projects, the expenditure of moneys from the fund *and* [~~,~~] the designation of beneficiary agencies [~~and the title to capital projects and real property~~] involved in capital projects as shall be appropriate to the implementation of KRS 42.350 and 42.355.

Floor Amendment No. 1 to **SB 252**, by Representative Bronger:

Amend printed copy of **SB 252**, on page 16, line 24, delete Section 10 in its entirety and renumber the sections thereof.

Floor Amendment No. 2 to **SB 255**, by Representative Farrow:

Amend printed copy of **SB 255**, on page 25, line 2, by deleting "*two percent (2%)*" and by inserting in lieu thereof "*one and one-half percent (1 1/2%)*"

Floor Amendment No. 3 to **SB 255**, by Representative Farrow:

Amend printed copy of **SB 255**, on page 9, by deleting lines 18 through 23 in their entirety and by inserting in lieu thereof the following:

"*(2) A credit union shall be deemed an institution for savings but shall be subject to all taxation imposed by this state or any taxing authority within this state.*"

Floor Amendment No. 1 to **SB 269**, by Representative Mann:

Amend printed copy of House Committee Amendment 1 to **SB 269**, on page 1, line 6, by deleting the word "*base*" before the word "*salary*".

Floor Amendment No. 1 to **SB 390**, by Representative Farrow:

Amend printed copy of **SB 390**, on page 4, line 5, after "(5)" insert "*(a)*";

On page 4, line 19, after "governor." insert:

"*(b) Classroom units for vocational agriculture classes shall be allotted for twelve (12) months per year. Vocational agriculture teachers shall be responsible for the following program of instruction during the time period beyond the regular school term established by the local board of education: supervision and instruction of students in agricultural experience programs; group and individual construction of farmers and agribusinessmen; supervision of student members of agricultural organizations who are involved in leadership training or other activity required by state or federal law; or any program of vocational agriculture established by the office of vocational education in the department of education. Salary allotments for vocational agriculture units shall be computed by proportionately increasing the salary schedule allocation based on the regular one hundred eighty-five (185) day school year for teachers with comparable qualifications and experience.*"

Floor Amendment No. 2 to **HB 207**, by Representative Cowan:

Amend printed copy of **HB 207**, on page 1, lines 3 through 21, to delete the same and to insert in lieu thereof:

"*(1) On and after the fiscal years beginning July 1, 1985 net court revenue of cities shall be divided in the following manner in lieu of the manner provided for in KRS 24A.191 and 24A.192.*

(2) The entire amount of net court revenue monies available shall be divided between cities (as a group) and counties and urban county governments (as a group) in proportion to the amounts they were receiving as of July 1, 1984.

(3) The amount cities receive shall be divided on a per capita basis among those cities receiving net court revenue payments prior to July 1, 1984 as follows:

(a) Cities which received less than ten dollars ($10) per capita as of July 1, 1984 shall continue to receive the same amount as prior to July 1, 1984, plus such increases as may be available pursuant to subsection (3)(c) or (d) of this Section.

(b) Cities which received more than ten dollars ($10) per capita as of July 1, 1984 shall receive ten dollars ($10) per capita, plus such increases as may be available pursuant to subsection (3)(d) of this section.

(c) Any funds remaining following the distribution prescribed in subsections (a) and (b), above, shall

be utilized first to bring cities below the ten dollar ($10) per capita level to the ten dollar ($10) per capita level with the funds being distributed equally among such cities on a per capita basis.

(d) If funds remain following the distribution prescribed in subsections (a), (b), and (c), above, they shall be distributed in such a manner as to guarantee all cities eligible for the distribution of net court revenue funds an equal per capita share.

(4) The amount which counties and urban-county governments receive shall be divided among those counties and urban-county governments receiving net court revenue payments prior to July 1, 1984 on the basis of the population of the county or urban-county government instead of upon the court revenue previously generated by the county or urban-county governments.

(5) Population shall be based upon the most recent Federal census data.

Section 2. In order to phase in the change specified in Section 1 of this Act, the finance and administration cabinet shall convert to the new provisions over a four (4) year period by changing one quarter (1/4) of the available monies to the new funding program each year beginning with the fiscal year starting July 1, 1985.

Section 3. KRS 24A.191, Computation of net court revenue and base court revenue, and KRS 24A.192, Return to cities and counties of net court revenue, shall remain in effect except as modified by changes required by Sections 1 and 2 of this Act until July 1, 1989, at which time KRS 25A.191 and KRS 24A.192 are repealed."

Floor Title Amendment No. 2 to **HB 406,** by Representative Gray:

Amend printed copy of Committee Substitute to **HB 406,** by amending the title to read as follows:

AN ACT relating to the judicial branch of government and making appropriations for the operations, maintenance, support and functioning of the judicial branch of the government of the Commonwealth of Kentucky and its various officers, boards, commissions, subdivisions, and other state supported activities.

Floor Amendment No. 2 to **HB 406,** by Representative Gray:

Amend printed copy of Committee Substitute to **HB 406,** on page 7, after line 9, by adding the following:

PART VI

Section 1. KRS 64.485 is amended to read as follows:

(1) The salary for each justice of the Supreme Court, payable out of the state treasury, shall be forty-nine thousand dollars ($49,000) per annum, except for the salary of the chief justice of the Supreme Court which shall be fifty thousand dollars ($50,000) per annum.

(2) The salary of each judge of the Court of Appeals, payable out of the state treasury, shall be forty-seven thousand dollars ($47,000), with the exception of the chief judge of the Court of Appeals who shall receive a salary of forty-seven thousand five hundred dollars ($47,500).

(3) The salary of each circuit judge, payable out of the state treasury, shall be forty-five thousand dollars ($45,000) per annum.

(4) The salary of each district judge, payable out of the state treasury, shall be thirty-eight thousand five hundred dollars ($38,500) per annum.

[~~(5) In order to equate or adjust the compensation of justices and judges of the court of justice with the purchasing power of the dollar, the department of finance shall compute by July 1 of every year, beginning on July 1, 1981, the annual increase or decrease in the consumer price index of the preceding year by using 1949 as the base year. Upon notification from the department of finance, the annual salary of justices and judges of the court of justice for fiscal years 1982-1983 and 1983-1984 shall be set at a rate which includes the adjustment for the increase or decrease in the consumer price index, but in no event shall a justice or judge of the court of justice receive an annual increase exceeding five percent (5%) of salary.~~]

Section 2. Until the end of his present term of office no justice or judge shall receive less than he was receiving as salary on July 14, 1984. At the close of the present term of office salaries shall be reduced to the amount specified in KRS 64.485.

Floor Title Amendment No. 3 to **HB 406**, by Representative Moore.

Amend printed copy of Committee Substitute to **HB 406**, by amending the title to read as follows:

AN ACT relating to the judicial branch of government and making appropriations for the operations, maintenance, support and functioning of the judicial branch of the government of the Commonwealth of Kentucky and its various officers, boards, commissions, subdivisions, and other state supported activities.

Floor Amendment No. 3 to **HB 406**, by Representative Moore:

Amend printed copy of Committee Substitute to **HB 406**, on page 7, after line 9, by adding the following:

PART VI

Section 1. KRS 23A.040 is amended to read as follows:

The following judicial circuits are entitled to two (2) judges and shall have two (2) numbered divisions of the circuit court:

(1) Second Judicial Circuit.
(2) Third Judicial Circuit.
(3) Sixth Judicial Circuit.
(4) Eighth Judicial Circuit.
(5) Ninth Judicial Circuit.
(6) Seventeenth Judicial Circuit.
(7) Twenty-fourth Judicial Circuit.
(8) Twenty-fifth Judicial Circuit.
(9) Twenty-seventh Judicial Circuit.
(10) Thirty-second Judicial Circuit.
(11) Thirty-fifth Judicial Circuit.
(12) *Forty-first Judicial Circuit.*
(13) Forty-eighth Judicial Circuit.

Section 2. The term of the judgeship of circuit court created by this Act shall be concurrent with the existing term of office of judges of the circuit court. Until the next regular election of judges of the circuit court, the judgeship created by this Act shall be filled as provided by Sections 118 and 152 of the Constitution. At the next regular election of judges of the circuit court, this office shall be filled for an entire term.

Section 3. For the purpose of funding this amendment to KRS 23A.040, there is appropriated out of the general expenditure fund in the state treasury to the court of justice for court operations and administration the following sums:

1984-85	1985-86
$107,300	$104,600

And to the board of trustees for the judicial form retirement system the following sums:

1984-85	1985-86
$7,500	$7,500

Floor Amendment No. 4 to **HB 406**, by Representative Heleringer:

Amend printed copy of House Committee Substitute to **HB 406**, on page 2, line 12, by bracketing and striking thru the words: "three percent (3%)"

and on line 14, after the word "court" by adding: "*of three percent (3%) or the increase in the consumer price index, whichever is less*"

and on line 15, by bracketing and striking thru the words: "three percent (3%)"

and on line 16, after the word "personnel" by adding: "*of three percent (3%) or the increase in the consumer price index, whichever is less*"

Floor Amendment No. 1 to **HB 474,** by Representative Morris:

Amend printed copy of Committee Substitute to **HB 474,** on page 39, line 26, by deleting "only for the term" and inserting in lieu thereof "in support";

On page 40, lines 12 and 24, by deleting "only for the term" and inserting in lieu thereof "in support";

On page 41, lines 10 and 22, by deleting "only for the term" and inserting in lieu thereof "in support";

On page 42, lines 8 and 20, by deleting "only for the term" and inserting in lieu thereof "in support";

On page 43, lines 12 and 21, by deleting "only for the term" and inserting in lieu thereof "in support".

Floor Amendment No. 2 to **HB 474,** by Representative Dawahare:

Amend printed copy of Committee Substitute to **HB 474,** on page 154, after line 26, by adding the following:

"13. (a) To the extent herein provided that General Fund expenditures at the close of Fiscal Year 1983-84 are less than General Fund appropriations for the same fiscal year, there is hereby appropriated from the General Fund in Fiscal Year 1984-85 the sum, up to a maximum amount of $8,000,000, to the Kentucky School Building Authority from such General Fund balance.

(b) To the extent herein provided that General Fund expenditures at the close of Fiscal Year 1984-85 are less than General Fund appropriations for the same fiscal year, there is hereby appropriated from the General Fund in Fiscal Year 1985-86 the sum, up to a maximum amount of $8,000,000, to the Kentucky School Building Authority from such General Fund balance."

Floor Amendment No. 3 to **HB 474,** by Representative Dawahare:

Amend printed copy of Committee Substitute to **HB 474,** on page 154, after line 26, by adding the following:

"13. (a) To the extent herein provided that General Fund expenditures at the close of Fiscal Year 1983-84 are less than General Fund appropriations for the same fiscal year, there is hereby appropriated from the General Fund in Fiscal Year 1984-85 the sum, up to a maximum amount of $1,000,000, to the Kentucky School Building Authority from such General Fund balance.

(b) To the extent herein provided that General Fund expenditures at the close of Fiscal Year 1984-85 are less than General Fund appropriations for the same fiscal year, there is hereby appropriated from the General Fund in Fiscal Year 1985-86 the sum, up to a maximum amount of $1,000,000, to the Kentucky School Building Authority from such General Fund balance."

Floor Amendment No. 4 to **HB 474,** by Representative Dawahare:

Amend printed copy of Committee Substitute to **HB 474,** on page 154, after line 26, by adding the following:

"13. (a) To the extent herein provided that General Fund expenditures at the close of Fiscal Year 1983-84 are less than General Fund appropriations for the same fiscal year, there is hereby appropriated from the General Fund in Fiscal Year 1984-85 the sum, up to a maximum amount of $4,000,000, to the Kentucky School Building Authority from such General Fund balance.

(b) To the extent herein provided that General Fund expenditures at the close of Fiscal Year 1984-85 are less than General Fund appropriations for the same fiscal year, there is hereby appropriated from the

General Fund in Fiscal Year 1985-86 the sum, up to a maximum amount of $4,000,000, to the Kentucky School Building Authority from such General Fund balance."

Floor Amendment No. 5 to **HB 474,** by Representatives Freibert, Caldwell, Lile, Harper, and Ford:

Amend printed copy of House Committee Substitute to **HB 474,** on page 1, after the enacting clause, delete all material and insert in lieu thereof the following:

There is appropriated out of the General Fund for the fiscal year ending June 30, 1984, and, including any funds pursuant to KRS 48.700 as of June 30, 1984, for the fiscal year beginning July 1, 1984, and ending June 30, 1985, and, including any funds pursuant to KRS 48.700 as of June 30, 1985, for the fiscal year beginning July 1, 1985, and ending June 30, 1986, the following sums, or so much thereof as maybe necessary, for the following officers, cabinets, departments, boards, commissions, institutions, subdivisions, and agencies of the State Government, and any and all other activities of the government of the Commonwealth of Kentucky subject to the provisions of Chapters 21, 42, 45, and 48 of the Kentucky Revised Statutes, for which a specific appropriation is in Part I listed as follows:

A. GOVERNMENT OPERATIONS

1. EXECUTIVE OFFICE OF THE GOVERNOR		
a. Governor		
	1984-85	$ 2,020,100
	1985-86	$ 2,072,100

Included in the above appropriation in each year of the biennium is $18,000 for the Governor's expense allowance to meet additional expenses associated with the position of Governor of Kentucky as specified in KRS 64.710.

b. Secretary of the Cabinet		
	1984-85	$ 355,200
	1985-86	$ 367,200
c. Governor's Office for Police and Management		
	1984-85	$ 1,310,600
	1985-86	$ 1,367,700
d. Governor's Office for Program Administration		
	1984-85	$ -0-
	1985-86	$ -0-
e. State Planning Fund		
	1984-85	$ 400,000
	1985-86	$ 400,000
TOTAL - EXECUTIVE OFFICE OF THE GOVERNOR		
	1984-85	$ 4,102,500
	1985-86	$ 4,231,200

2. LIEUTENANT GOVERNOR		
	1983-84	$ 19,000
	1984-85	$ 425,000
	1985-86	$ 450,000

Included in the above appropriation in each year of the biennium is $10,000 for the Lieutenant Governor's expense allowance to meet additional expenses associated with the position of Lieutenant Governor of Kentucky as specified in KRS 64.710.

3. SECRETARY OF STATE		
a. General Operations		
	1983-84	$ 75,000
	1984-85	$ 1,035,000
	1985-86	$ 1,060,000
b. Restoration of Land Grant Books		
	1984-85	$ 44,000
	1985-86	$ 44,000

TOTAL - SECRETARY OF STATE

1983-84	$ 75,000
1984-85	$ 1,079,000
1985-86	$ 1,104,000

4. BOARD OF ELECTIONS

1984-85	$ 1,038,400
1985-86	$ 1,093,700

Included in the above appropriation is $563,400 in fiscal year 1984-85 and $591,600 in fiscal year 1985-86 to pay the state's share of county election expenses (KRS 117.345) and the state's share of voter registration expenses (KRS 116.105). Any unexpended balance remaining at the close of each fiscal year shall lapse to the credit of the General Fund. Any amount that the state is required to pay in excess of the above amounts under the provisions of KRS 116.145 is hereby appropriated.

5. TREASURY

1984-85	$ 1,065,000
1985-86	$ 1,200,000

6. DEPARTMENT OF LAW

1984-85	$ 4,800,000
1985-86	$ 4,900,000

7. UNIFIED PROSECUTORIAL SYSTEM

a. Commonwealth's Attorney

1984-85	$ 7,100,000
1985-86	$ 7,350,000

b. County Attorney

1984-85	$ 7,450,000
1985-86	$ 7,700,000

TOTAL - UNIFIED PROSECUTORIAL SYSTEM

1984-85	$ 14,550,000
1985-86	$ 15,050,000

The above appropriation includes a maximum three percent (3%) salary increase for elected officials and staff persons each fiscal year.

It is the intent of the General Assembly that the distribution of funds to a particular county or circuit be based upon that county's or circuit's actual caseload. It is further the intent of the General Assembly that those counties or circuits receive an amount of the total funds comparable to its caseload to the state's total caseload.

8. AUDITOR OF PUBLIC ACCOUNTS

1984-85	$ 2,200,000
1985-86	$ 2,700,000

The Auditor of Public Accounts shall report in writing each sixty (60) days to the Interim Joint Committee on Appropriations and Revenue the progress of all state audits, together with copies of all completed audits.

No state agency shall enter into any contract with a non-governmental entity for an audit unless the Auditor of Public Accounts has declined in writing to perform the audit or has failed to respond within thirty (30) days of receipt of a written request. The agency requesting the audit shall furnish the Auditor of Public Accounts a comprehensive statement of the scope and nature of the proposed audit.

There is hereby appropriated to the Auditor of Public Accounts funds which are required in the auditing of federal disaster relief funds.

The Auditor shall maintain a record of all time and expenses for each audit or investigation.

Any additional expense incurred by the Auditor of Public Accounts for auditing federal funds, when such audits are mandated by a cognizant federal audit agency, shall be charged to the audited agency, when such costs may be charged against federal funds. The Auditor of Public Accounts is hereby authorized to receive these federal funds in a separate account to be established for this purpose. The Auditor shall maintain a record of all costs and expenditures associated with this provision.

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9. DEPARTMENT OF MILITARY AFFAIRS

a. General Operations

1984-85	$ 4,200,000
1985-86	$ 4,200,000

Included in the above appropriation is $152,000 in fiscal year 1984-85 and $152,000 if fiscal year 1985-86 for the Kentucky Early Warning System (KEWS) operation of which $10,000 each year is intended for the maintenance of radio equipment.

There is hereby appropriated to the department funds which are required as a result of the Governor's call of the Kentucky National Guard to active duty; provided, however, that an emergency situation shall have been declared to exist by the Governor.

b. Disaster and Emergency Services

1984-85	$ 2,000,000
1985-86	$ 2,100,000

Included in the above appropriation is $230,700 in fiscal year 1984-85 and $240,300 in fiscal year 1985-86 for the Kentucky Early Warning System (KEWS) operation.

Also included in the above appropriation is $100,000 in fiscal year 1984-85 and $100,000 in fiscal year 1985-86 for emergency expenses by the Division of Disaster and Emergency Services for disasters and emergencies. These funds may only be expended at the recommendation of the Adjutant General to the Governor.

There is hereby appropriated to the department funds required to match federal aid to which the state would be eligible in the event of a Presidentially-declared disaster or emergency.

It is the intent of the General Assembly that the appropriation level for the Division of Disaster and Emergency Services not be reduced in the event of a revenue shortfall in either fiscal year of the 1984-86 biennium.

TOTAL - DEPARTMENT OF MILITARY AFFAIRS

1984-85	$ 6,200,000
1985-86	$ 6,200,000

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10. KENTUCKY HORSE COUNCIL

1984-85	$ -0-
1985-86	$ -0-

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11. DEPARTMENT OF PERSONNEL

a. General Operations

1984-85	$ 4,200,000
1985-86	$ 4,000,000

b. Pay-for-Performance/Competitive Pay

1984-85	$ -0-
1985-86	$ -0-

TOTAL - DEPARTMENT OF PERSONNEL

1984-85	$ 4,200,000
1985-86	$ 4,200,000

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12. PERSONNEL BOARD

1984-85	$ 203,000
1985-86	$ 228,000

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13. DEPARTMENT OF LOCAL GOVERNMENT

1984-85	$ 3,300,000
1985-86	$ 3,400,000

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14. CAPITAL PLAZA

1984-85 .... $ 2,350,000
1985-86 .... $ 2,375,000

Included in the above appropriation is $1,847,500 in fiscal year 1985 and $1,873,800 is fiscal year 1986 which shall be used for debt service for the Capital Plaza.

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15. COUNTY COSTS	1984-85	1985-86
a. Base Court Revenue	$5,431,000	$5,431,000
b. Sheriffs' Fees	1,300,000	1,350,000
c. Jury Fund	3,500,000	3,650,000
d. Witnesses	60,000	65,000
e. Special Bailiffs	20,000	25,000
f. Board of Assessment Appeals	25,000	30,000
g. Fugitives from Justice	300,000	315,000
h. Sheriffs' Expense Allowance	432,000	432,000
i. Premium on Sheriffs' Bonds	525,000	550,000
j. County Clerks - Making Tax Bills	475,000	500,000

Funds required to pay county costs funded by the General Fund are hereby appropriated and additional funds may be allotted from the General Fund surplus by the Secretary of the Finance and Administration Cabinet.

TOTAL - COUNTY COSTS

1984-85 .... $ 12,068,000
1985-86 .... $ 12,348,000

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16. SPECIAL FUNDS

a. Local Government Economic Assistance Fund

1984-85 .... $ 18,250,000
1985-86 .... $ 25,700,000

The above appropriations are based on the official estimate of the Secretary of Revenue for severance tax collections during the biennium, distributed in accordance with KRS 42.450 through 42.495. In the event actual severance tax receipts are different from the official estimate, the amount to be allotted to the Local Government Economic Assistance Fund shall be determined in accordance with KRS 42.450 through 42.495.

b. Area Development Fund

1984-85 .... $ 1,300,000
1985-86 .... $ 1,900,000

c. Kentucky Center for the Arts - Debt Service

1984-85 .... $ 2,900,000
1985-86 .... $ 2,900,000

TOTAL - SPECIAL FUNDS

1984-85 .... $ 22,450,000
1985-86 .... $ 30,500,000

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17. GENERAL OBLIGATION BONDS

a. Park Bonds

1984-85 .... $ 560,000
1985-86 .... $ 565,000

b. Veterans Bonus Bonds

1984-85 .... $ 7,855,000
1985-86 .... $ 7,865,000

c. 1965 General Purpose Bonds

1984-85 .... $ 2,060,000
1985-86 .... $ 2,060,000

TOTAL - GENERAL OBLIGATION BONDS
1984-85 .... $ 10,475,000
1985-86 .... $ 10,490,000

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18. BOARDS AND COMMISSIONS
a. Kentucky Athletic Commission
1984-85 .... $ -0-
1985-86 .... $ -0-
b. Board of Properietary Education
1984-85 .... $ -0-
1985-86 .... $ -0-

TOTAL - BOARDS AND COMMISSIONS
1984-85 .... $ -0-
1985-86 .... $ -0-

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19. FINANCIAL DISCLOSURE REVIEW COMMISSION
1984-85 .... $ 62,800
1985-86 .... $ 65,900

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20. MISCELLANEOUS APPROPRIATIONS
a. Board of Claims Awards
1984-85 .... $ 200,000
1985-86 .... $ 200,000

Funds are appropriated for the repayment of awards or judgments made by the Board of Claims against departments, boards, commissions, and other agencies maintained by appropriations out of the General Fund. However, awards under $500, in cases where the operating agency admits negligence, shall be paid from funds available for the operations of such agencies.

b. Judgments
1984-85 .... $ 100,000
1985-86 .... $ 100,000

For payment of such judgments as may be rendered against the Commonwealth by courts and orders of the State Personnel Board; such payments, where applicable, shall be subject to the provisions of KRS Chapter 45. Also, to pay medical malpractice judgments against the University of Kentucky and the University of Louisville in accordance with KRS 164.941 and 164.892. However, in no event shall the total payments exceed the sum of $5,500,000 in any fiscal year.

c. Prior Year Claims
1984-85 .... $ 100,000
1985-86 .... $ 100,000
d. Unredeemed Checks Refunded
1984-85 .... $ 60,000
1985-86 .... $ 60,000

Checks written by the State Treasurer and not cashed within the statutory period may be presented to the State Treasurer for reissuance in accordance with the provisions of KRS 41.370.

e. Blanket Employees Bonds
1984-85 .... $ -0-
1985-86 .... $ 140,000

For payment of premiums on blanket surety bonds as provided by KRS 62.170.

f. Frankfort Planning Commission
1984-85 .... $ 1,000
1985-86 .... $ 1,000
g. Frankfort Cemetery
1984-85 .... $ 2,500
1985-86 .... $ 2,500

h. Public Improvements
1984-85 .... $ 5,000
1985-86 .... $ 5,000

Funds are appropriated for paying assessments for public improvements against property owned by the State, and for which said assessments the State is deemed to be liable.

i. Police and Firemen - Life Insurance
1984-85 .... $ 50,000
1985-86 .... $ 50,000

Funds are appropriated for payment of benefits for state and local police and firemen in accordance with KRS 61.315.

j. Workers' Compensation
1984-85 .... $ 40,000
1985-86 .... $ 40,000

Fee officers in counties over 75,000 in population.

k. Master Commissioners - Employers Retirement
1984-85 .... $ 63,000
1985-86 .... $ 63,000

l. Master Commissioners - Social Security
1984-85 .... $ 100,000
1985-86 .... $ 100,000

m. Money Refunded
1984-85 .... $ -0-
1985-86 .... $ -0-

For refunding money paid into the State Treasury, which may later be determined not to be a lawful collection by the State. No money shall be refunded, however, after it has been paid into the State Treasury except by authority of the head of the department or agency to whom the money was originally paid and with the approval of the Secretary of the Finance and Administration Cabinet and the Attorney General.

TOTAL - MISCELLANEOUS APPROPRIATIONS
1984-85 .... $ 721,500
1985-86 .... $ 861,500

Funds required to pay the costs of items included within the Miscellaneous Appropriations category are hereby appropriated, and any required expenditure over the above amounts is to be paid from the General Fund Surplus.

TOTAL - GOVERNMENT OPERATIONS
1983-84 .... $ 94,000
1984-85 .... $ 91,373,600
1985-86 .... $101,170,800

B. COMMERCE

21. OFFICE OF THE SECRETARY
1984-85 .... $ 5,848,000
1985-86 .... $ 6,057,300

Included in the above appropriation is $10,001,200 in fiscal year 1984-85 and $12,921,000 in fiscal year 1985-86 for debt service payments on the Economic Development Bond program for the original $100 million authorization.

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22. DEPARTMENT OF ECONOMIC DEVELOPMENT
1984-85 .... $ 1,950,000
1985-86 .... $ 1,975,000

Included in the above appropriation is $50,000 in fiscal year 1984-85 for enabling legislation enacted by the 1984 General Assembly for implementation of a Business Information Clearinghouse program.

23. KENTUCKY DEVELOPMENT FINANCE AUTHORITY
1984-85 .... $ 5,434,000
1985-86 .... $ 5,424,000

The appropriation in each fiscal year is entirely for debt service payments associated with the $50 million bond issuance for the Kentucky Development Finance Authority loan program.

24. DEPARTMENT OF THE ARTS

1984-85 .... $ 2,590,000
1985-86 .... $ 2,650,000

Included in the above appropriation is $1,228,000 in each fiscal year for the Challenge Grant program to be administered by the Kentucky Arts Council.

Included in the above appropriation is $80,000 each fiscal year for Outdoor Drama Grants. These grants shall be distributed as follows: $30,000 Jenny Wiley Theatre; $20,000 Stephen Foster; $20,000 Fort Harrod Drama; and $10,000 to Pioneer Playhouse. Any grant funds not utilized by these organizations in the maximum specified amounts shall lapse to the General Fund.

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25. DEPARTMENT OF AGRICULTURE

1984-85 .... $ 8,400,000
1985-86 .... $ 8,600,000

Included in the above appropriation is $50,000 each fiscal year for enabling legislation enacted by the 1984 General Assembly for an amusement ride inspection program.

Included in the above appropriation is $450,000 in fiscal year 1984-85 and $400,000 in fiscal year 1985-86 for federal fund replacement in the Brucellosis Eradication and Control program. These funds shall be allotted only after proper documentation of an actual withdrawal of federal funds is presented to the Secretary of Finance and Administration. The funds shall be allotted only with his approval.

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26. COUNCIL ON AGRICULTURE

1984-85 .... $ -0-
1985-86 .... $ -0-

TOTAL - COMMERCE

1984-85 .... $ 24,222,000
1985-86 .... $ 24,706,300

C. CORRECTIONS

27. CORRECTIONS

a. Correction's Management

1984-85 .... $ 6,284,800
1985-86 .... $ 6,207,400

Included in the above appropriation is $3,000,000 in fiscal year 1985 and $3,584,500 in fiscal year 1986 for debt service to fund projects itemized in Part V of this Act. Also included is $89,000 each year to fund additional research and evaluation staff.

b. Adult Institutions

1983-84 .... $ 702,000
1985-86 .... $ 51,150,000

c. Community Services and Local Facilities c. Community Services and Local Facilities

1983-84 .... $ 1,100,000
1984-85 .... $ 11,250,000
1985-86 .... $ 12,687,400

Included in the above appropriation is $662,200 in fiscal year 1985 and $649,200 in fiscal year 1986 for an Intensive Supervision program for approximately 500 offenders who would, if not for the availability of this program, be incarcerated in a state facility.

d. Local Jail Support

1984-85 .... $ 14,500,000
1985-86 .... $ 14,500,000

Included in the above appropriation is $900,000 each year for medical care contracts to be distributed to counties by the formula for operational fund disbursement established within **SB 361** passed by the 1984 General Assembly; $100,000 is provided each year, on a partial reimbursement basis, for medical claims in excess of $2,500.

TOTAL - CORRECTIONS

1983-84 .... $ 1,802,000

1984-85	$ 80,434,800
1985-86	$ 84,544,800

D. EDUCATION AND HUMANITIES

28. Governor's Student Learning Improvement Program

1984-85	$ 800,000
1985-86	$ 8,300,000

29. DEPARTMENT OF EDUCATION

a. General Administration

1984-85	$ 5,750,000
1985-86	$ 6,000,000

Included in the above appropriation is $876,100 in fiscal year 1984-85 and $902,200 in fiscal year 1985-86 to match federal dollars for the Adult Education program in accordance with federal regulations. Also included is $129,700 in fiscal year 1984-85 and $131,000 in fiscal year 1985-86 for debt service, and $2,231,900 in fiscal year 1984-85 and $2,343,600 in fiscal year 1985-86 for maintenance of facilities and building insurance costs. The amounts herein indentified shall be expended for these purposes and no others, except as provided in this Act. Any surplus shall lapse to the General Fund.

b. Education for Exceptional Children

1984-85	$ 9,101,500
1985-86	$ 9,744,100

Of the above appropriation, at least $7,457,500 in fiscal year 1984-85 and $7,709,200 in fiscal year 1985-86 is included for the Kentucky School for the Blind and the Kentucky School for the Deaf.

Also included in this appropriation is $350,000 in each year of the 1984-86 biennium for debt service for the addition to the classroom building at the Kentucky School for the Blind.

c. School Foundation Program

1984-85	$873,422,400
1985-86	$908,749,400

Accumulated earnings for the Common School Fund shall each fiscal year be transferred to the School Foundation Program.

Funds appropriated to the School Foundation Program shall be allotted to school districts in accordance with KRS 157.310 through 157.430 and 157A.090, except that the total of the funds allotted shall not exceed the appropriations for this purpose except as provided in this Act. If funds appropriated to the School Foundation Program are insufficient to provide the amount of money required under KRS 157.390(6), allotments to local school districts shall be reduced in accordance with KRS 157.430.

The amount to be included for the 1984-85 school year in the Foundation Program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following schedule, for a term of 185 days for each rank:

Rank Experience	I	II	III	IV	V
0-3 years	$18,470	$16,530	$14,580	$12,560	$11,580
4-9 years	20,400	18,470	16,530	12,560	11,580
10 years & over	22,160	20,210	18,270	12,560	11,580

Beginning with the school year 1985-86, the amount to be included in the Foundation Program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following allotment schedule, for a term of 185 days, for each rank:

Rank Experience	I	II	III	IV	V
0-3 years	$19,390	$17,360	$15,300	$13,190	$12,160
4-9 years	21,420	19,390	17,360	13,190	12,160
10 years & over	23,270	21,220	19,180	13,190	12,160

No working budget or salary schedule shall be approved in which the average salary paid any rank of teachers is not at least equivalent to the allotment for that rank, or in which any teacher is paid less than ninety-three percent (93%) of the School Foundation Program allotment for that rank for full time service during the regular school year or the allotment under KRS 157.390(2) shall be reduced by an amount equal to the amount by which the district failed to meet salary requirements, except where there is a decline in local revenue of the district concerned after it has levied the maximum ad valorem property tax rate permitted by law. Any such reduction permitted shall be only for the amount of the decline in local revenue.

In the event any local board of education contends there has been a decline in local tax resources in that district, the State Board of Education shall certify such contention to the Revenue Cabinet. Said Cabinet shall then determine whether there has, in fact, been a decline in local tax resources of such district, and, if so, the amount of such decline. The Revenue Cabinet shall then certify its determination to the State Board of Education, and said Board shall accept such certified determination as final.

The State Board of Education shall not approve any working budgets or salary schedule summaries for local boards of education for the school years 1984-85 and 1985-86 in which the total amount for 185 days on the salary schedule summary for School Foundation Program teachers' instructional salaries is not equal to the amount for 185 days on the salary schedule summary for School Foundation Program teachers' instructional salaries in the preceding year, plus the additional amount for teachers' salaries received by the district under this appropriation for a 185 day school term by assuming the same classroom units and rank and experience of teachers in the current year as in the preceding year in each local school district.

Local school district personnel who are employed beyond the regular school term of 185 days shall be so employed in accordance with the provisions of KRS 157.390(2)(a) and 702 KAR 1:025. Funding for these extended employment days shall not exceed $19,820,000 in fiscal year 1984-85 and $19,820,000 in fiscal year 1985-86.

The allotment of any school district classroom units, pursuant to KRS 157.360(1) shall not exceed the number of teachers employed by that school district.

The allotments to school districts of basic classroom units for grades one (1) through three (3) shall be made on the basis of one for every twenty-five (25) pupils in average daily attendance. The allotments of basic classroom units for grades four (4) through twelve (12) shall be made on the basis of one for every twenty-seven (27) pupils in average daily attendance.

Notwithstanding the provisions of KRS 157.360(5), (6), and (10) the allotments, provision for which is made under this Act, for classroom units shall be as follows:

	1984-85	*1985-86*
Vocational Education	2,698	2,538
Exceptional Children	4,110	4,110

Provided, however, that if the budgeted units in any category of classroom units -- Vocational Education, Exceptional Children, Kindergarten, classroom units for elementary and secondary schools, and units related to school administration -- prove to be excessive, the surplus may be reallocated to any other category or categories by the Superintendent of Public Instruction, upon the approval of the State Board of Education and the Secretary of the Finance and Administration Cabinet.

Kindergarten units shall be allotted in fiscal year 1984-85 and fiscal year 1985-86 on the basis of one for every two classes with 25 pupils in average daily attendance in each class. The number of units allotted in school year 1984-85 shall be based on end of year prior year ADA. The number of units allotted in school year 1985-86 shall be based on end of year prior year ADA including the percent of kindergarten increase in ADA the first two months of the current year over the first two months of the previous school year.

The allotments of basic classroom units shall be made on the average daily attendance (ADA) for the end of the previous school year in public school grades one (1) through twelve (12) after the following deductions: (a) an average daily attendance of nine and six-tenths (9.6) in fiscal year 1984-85 and in fiscal year 1985-86 shall be deducted for each vocational education unit allotted, and (b) an average daily attendance of seven and two-tenths (7.2) in fiscal year 1984-85 and in fiscal year 1985-86 shall be deducted for each exceptional children unit allotted.

The Superintendent of Public Instruction shall enforce the limited class size of 25 in average daily attendance of grades kindergarten through three (3) on a district-wide basis for each local school district.

The total number of administrative and special instructional services (ASIS) units allotted under KRS 157.360(7) shall be the sum of the total allotted number of basic units, kindergarten units, vocational units, and exceptional children units divided by 9.

The State Board of Education shall promulgate regulations upon the recommendation of the Superintendent of Public Instruction which shall cause ASIS units to be allocated with first priority given to funding units required for accreditation, and second priority given to adding units for classroom instruction. The third priority of funding shall be given to other needs for ASIS units in local school districts.

Allotments for ASIS classroom units pursuant to KRS 157.360(7) shall only be for those personnel who are qualified for their respective positions under applicable provisions of law and regulations and who maintain programs which have been approved pursuant to applicable regulations.

The amount to be included in the Foundation Program for other current expenses in the 1984-86 biennium shall be determined by multiplying the number of classroom units by: $4,130 in the 1984-85 school year and $4,484 in the 1985-86 school year.

The amount to be included in the Foundation Program for capital outlay shall be determined by multiplying the number of classroom units by: $1,800 in the 1984-85 school year and $1,800 in the 1985-86 school year.

In accordance with the intent of KRS 162.060 and 162.160, no space shall be rented, purchased, or otherwise acquired and thereafter converted to classroom use without prior approval of the Superintendent of Public Instruction. The State Board of Education may adopt regulations for the housing of school children. No facilities shall be approved for classroom use which are detrimental to the health of or dangerous to the safety of school children.

If a school district operates any school or grade of a school for a term of less than 185 days in accordance with KRS 158.070, or for a school day of less than the minimum required by KRS 158.060, the average daily attendance of such school shall be reduced proportionately by the Superintendent of Public Instruction in determining the allotment of classroom units.

Any undistributed balance in the Foundation Program fund at the end of the fiscal years 1984-85 and 1985-86 shall lapse to the General Fund except where provisions to the contrary are provided in this Act. No unexpended portions of the School Foundation Program fund shall be expended at any time for the purpose of KRS 156.610 through 156.650 except as identified in this Act.

The total appropriation for the School Foundation Program shall be measured by, or construed as, estimates of the state expenditures required by KRS 157.310 et. seq. If the required expenditures exceed these estimates, the Secretary of the Finance and Administration Cabinet, with approval of the Governor, may increase the appropriation by such amount as may be available and necessary to meet, to the extent possible, the required expenditures under the hereinabove cited sections of the Kentucky Revised Statutes; provided, however, that any such increase, of the total appropriation to the Foundation Program is subject to Part VI, General Provisions, Section 8, of this Act, and the provisions of KRS 45.160.

Included in this appropriation is $76,166,500 in fiscal year 1984-85 and $76,166,500 in fiscal year 1985-86 for the costs of transporting pupils to and from school. Calculations of the allotments of pupil transportation funds to school districts shall be made in accordance with KRS 157.370 and 157A.090, except that the total of the funds allotted under KRS 157.390(5) shall not exceed $76,165,500 in fiscal year 1984-85 and $76,166,500 in fiscal year 1985-89; provided, however, that these sums may be increased by any excess funds appropriated for the School Foundation Program, but no such increases shall exceed the total transportation cost calculated in accordance with KRS 157.370 and 157A.090, subject to the approval of the Superintendent of Public Instruction and the Secretary of the Finance and Administration Cabinet, except where provisions to the contrary are stated in this Act.

In the event that the funds appropriated for pupil transportation in fiscal 1984-85 and fiscal year 1985-86 are insufficient to provide allotments to local school districts in accordance with KRS 157.370 and 157A.090, notwithstanding KRS 157.430, the allotments of funds for pupil transportation only to local school districts shall be ratably reduced without reducing other allotments under this appropriation.

Included in the School Foundation Program appropriation is $1,964,000 in fiscal year 1984-85 and $1,964,000 in fiscal year 1985-86 for Vocational Transportation.

d. Power Equalization

1984-85	$ 54,927,500
1985-86	$ 68,127,500

Funds are appropriated for the purpose of equalizing expenditures among students in local school districts in accordance with KRS 157.545 - 157.575.

e. Instruction

1984-85	$ 7,300,000
1985-86	$ 7,500,000

Included in the above appropriation is $800,000 in fiscal year 1984-85 and $1,000,000 in fiscal year 1985-86 for a program of Essential Skills Instruction and Testing for Students.

The above appropriation also includes $200,000 in fiscal year 1984-85 and $16,000,000 in fiscal year 1985-86 for a program of Essential Skills Remediation for Students.

The above appropriation also includes $100,000 in fiscal year 1984-85 and $2,500,000 in fiscal year 1985-86 for a New Teacher Testing and Internship Program.

The above appropriation also includes $5,089,100 in fiscal year 1984-85 and $5,342,500 in fiscal year 1985-86 for the Gifted and Talented Program; of which $75,000 in fiscal year 1984-85 and $150,000 in fiscal year 1985-86 shall be used to establish an Advisory Council for Gifted and Talented Programs.

The above appropriation also includes $410,000 in fiscal year 1984-85 and $430,500 in fiscal year 1985-86 for the Math and Science Scholarship Program administered in accordance with regulations promulgated by the State Board of Education.

f. Local Services

1984-85	$ 15,644,000
1985-86	$ 15,931,000

Included in the above appropriation is $2,656,200 for fiscal year 1984-85 and $2,789,000 for fiscal year 1985-86 for reimbursements to local school districts for the Out-of-District Children program operated in accordance with KRS 158.135 and applicable regulations. Funds to be expended for the Out-of-District Children program shall be limited to these amounts, and if sufficient funds are not available within these allocated amounts to reimburse each district for the total allowed cost of the program, each allocation shall be ratably reduced to the level of available funds.

The above appropriation also includes $304,600 in fiscal year 1984-85 and $319,900 in fiscal year 1985-86 for school district audits; and $5,834,500 in fiscal year 1984-85 and $7,071,200 in fiscal year 1985-86 for the purchase of textbooks for grades kindergarten through eight.

The textbooks selected by the textbook commission for each subject and grade shall be used as a basal text in school districts for a period of six (6) years.

No appropriation is included in this Act for the replacement of student fees; therefore, public schools may charge students for necessary fees and rentals, and may require students to purchase necessary instructional materials, notwithstanding the provisions to the contrary in KRS 158.107.

g. Local District Health and Life Insurance

1984-85	$ 37,235,400
1985-86	$ 41,821,500

Included in the above appropriation is $463,500 in fiscal year 1984-85 and $465,600 in fiscal year 1985-86 to provide life insurance to each full-time certified and non-certified employe of local boards of education. Also included in the above appropriation is $36,596,400 in fiscal year 1984-85 and $41,171,200 in fiscal year 1985-86 to purchase medical insurance for certified and non-certified full-time employees of local boards of education pursuant to applicable statutes and regulations. If the costs for life insurance or health insurance exceed the levels of appropriated funds, any unexpended School Foundation Program funds may be used to offset such expenditures, subject to the approval of the Secretary of the Finance and Administration.

h. Vocational Education

1984-85	$ 43,738,500
1985-86	$ 46,333,700

Included in the above appropriation is at least $1,697,600 in fiscal year 1984-85 and $1,782,500 in fiscal year 1985-86 for equipment procurement and maintenance.

i. Vocational Rehabilitation

1984-85	$ 4,200,000
1985-86	$ 4,275,000

j. Administrative Services and Budget Management

1984-85	$ 2,860,000
1985-86	$ 2,980,000

k. Bluegrass State Skill Corp.

1984-85	$ -0-
1985-86	$ -0-

TOTAL - DEPARTMENT OF EDUCATION

1984-85	$1,076,369,500
1985-86	$1,145,007,500

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30. KENTUCKY EDUCATIONAL TELEVISION

1984-85	$ 7,250,000
1985-86	$ 7,550,000

Included in the above appropriation is $608,800 in fiscal year 1984-85 and $607,800 in fiscal year 1985-86 for debt service.

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31. HISTORICAL SOCIETY

1984-85	$ 1,630,000
1985-86	$ 1,750,000

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32. LIBRARY AND ARCHIVES

1984-85	$ 8,300,000
1985-86	$ 8,400,000

The appropriation includes $1,689,000 in fiscal year 1984-85 and $1,718,000 in fiscal year 1985-86 for debt service payments for the new State Library and Archives Building.

33. BUREAU FOR THE BLIND

1984-85	$ 1,196,600
1985-86	$ 1,272,800

34. KENTUCKY SCHOOL BUILDING AUTHORITY

1984-85	$ 6,240,500
1985-86	$ 16,252,200

Funds are appropriated for the purpose of meeting the debt service requirements on bonds and bond anticipation notes previously issued or authorized by the Authority. Included in the appropriation is $86,600 in fiscal year 1984-85 and $88,500 in fiscal year 1985-86 for administration.

35. TEACHERS' RETIREMENT SYSTEM

1984-85	$130,681,800
1985-86	$137,359,000

Funds are appropriated to comply with the obligations of the state under the Teachers' Retirement System statutes as provided in KRS 161.220 through 161.710.

The above appropriation is based upon estimated funds needed to meet the requirements of KRS 161.220 through 161.710. In the event the above appropriations are in excess of these requirements, such excess funds shall lapse to the credit of the General Fund.

In accordance with KRS 161.420, in each fiscal year an amount not greater than four percent (4%) of the receipts of the state accumulation shall be set aside into the expense fund or expended for the administration of the retirement system. No General Fund dollars are provided in fiscal year 1984-85 or fiscal year 1985-86 for the cost of administration.

36. COMMISSION ON HUMAN RIGHTS

1984-85	$ 1,120,000
1985-86	$ 1,150,000

37. COMMISSION ON WOMEN

1984-85	$ 175,000
1985-86	$ 187,100

38. ORAL HISTORY COMMISSION

1984-85	$ -0-
1985-86	$ -0-

39. HERITAGE COUNCIL

1984-85	$ -0-
1985-86	$ -0-

40. COMMISSION ON THE DEAF AND HEARING IMPAIRED

1984-85	$ 166,800
1985-86	$ 176,900

41. OFFICE OF THE SECRETARY

1983-84	$ 141,000
1984-85	$ -0-
1985-86	$ -0-

TOTAL EDUCATION AND HUMANITIES

1983-84	$ 141,000
1984-85	$1,233,630,200
1985-86	$1,327,405,500

E. ENERGY

42. KENTUCKY ENERGY CABINET

a. Administration and Support

1984-85	$ 900,000
1985-86	$ 915,000

b. Department of Energy Research and Development

1984-85	$ 5,786,000
1985-86	$ 6,192,400

Included in the above appropriation is $350,000 in 1984-85 fiscal year for capital project in Part V.

c. Energy Demonstration Trust Fund

1984-85	143,900
1985-86	138,800

d. Department of Energy Production & Utilization

1984-85	848,100
1985-86	790,000

TOTAL - ENERGY CABINET

1984-85	$ 7,678,000
1985-86	$ 8,032,000

F. FINANCE AND ADMINISTRATION

43. FINANCE AND ADMINISTRATION CABINET

a. Office of the Secretary

1984-85	$ 1,494,400
1985-86	$ 1,970,700

Included in the above appropriation is $150,000 each fiscal year for payment to the City of Frankfort for the provision of fire and police protection and other service for state owned property in accordance with KRS 45.155.

b. Office of Investment and Debt Management

1984-85	$ 220,900
1985-86	$ 220,800

c. Office of Historic Properties

1984-85	$ 143,000
1985-86	$ 147,800

d. Department of Administration

1984-85	$ 4,980,000
1985-86	$ 5,060,000

e. Department of Facilities Management

1984-85	$ 5,750.000
1985-86	$ 6,300,000

f. Department of Information Systems

1984-85	$ -0-
1985-86	$ -0-

TOTAL - FINANCE AND ADMINISTRATION

1984-85	$ 12,307,900
1985-86	$ 13,279,300

G. HIGHER EDUCATION

44. COUNCIL ON HIGHER EDUCATION

1984-85	$ 3,900,000
1985-86	$ 4,100,000

45. HIGHER EDUCATION ASSISTANCE AUTHORITY

1984-85	$ 4,058,800
1985-86	$ 7,579,200

Included in the above appropriation is $1,704,700 in fiscal year 1984-85 and $3,183,300 in fiscal year 1985-86 for the State Student Incentive Grant Program. Also included is $2,354,100 in fiscal year 1984-85 and $4,395,900 in fiscal year 1985-86 for the Kentucky Tuition Grant Program.

46. KENTUCKY STATE UNIVERSITY

1984-85	$ 10,645,500
1985-86	$ 12,976,700

Included in the above appropriation is $308,700 in fiscal year 1984-85 and $1,706,700 in fiscal year 1985-86 for debt service. Also included is $1,449,700 in fiscal year 1984-85 and $2,016,800 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the Desegregation Plan are recurring only for the term of the Plan as approved by the Office of Civil Rights in June 1983.

47. EASTERN KENTUCKY UNIVERSITY

1984-85	$ 33,947,600
1985-86	$ 35,633,700

Included in the above appropriation is $2,433,700 in fiscal year 1984-85 and $2,433,100 in fiscal year 1985-86 for debt service. Also included is $157,000 in fiscal year 1984-85 and $164,900 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the Desegregation Plan are recurring only for the term of the Plan as approved by the Office of Civil Rights in June 1983.

48. MOREHEAD STATE UNIVERSITY

1984-85	$ 20,674,200
1985-86	$ 21,754,900

Included in the above appropriation is $1,464,500 in fiscal year 1984-85 and $1,468,100 in fiscal year 1985-86 for debt service. Also included is $47,000 in fiscal year 1984-85 and $49,400 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

49. MURRAY STATE UNIVERSITY

1984-85	$ 25,557,100
1985-86	$ 26,902,900

Included in the above appropriation is $1,620,200 in fiscal year 1984-85 and $1,617,600 in fiscal year 1985-86 for debt service. Also included is $75,000 in fiscal year 1984-85 and $78,800 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

50. NORTHERN KENTUCKY UNIVERSITY

1984-85	$ 20,327,800
1985-86	$ 21,439,900

Included in the above appropriation is $2,860,100 in fiscal year 1984-85 and $2,823,900 in fiscal year 1985-86 for debt service. Also included is $128,000 in fiscal year 1984-85 and $134,400 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

51. WESTERN KENTUCKY UNIVERSITY

1984-85	$ 32,328,600
1985-86	$ 34,056,000

Included in the above appropriation is $1,671,300 in fiscal year 1984-85 and $1,673,700 in fiscal year 1985-86 for debt service. Also included is $101,000 in fiscal year 1984-85 and $106,100 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

52. UNIVERSITY OF LOUISVILLE

1984-85	$ 93,245,400
1985-86	$ 98,755,200

Included in the above appropriation is $10,206,700 in fiscal year 1984-85 and $10,221,400 in fiscal year 1985-86 for debt service. Also included is $424,000 in fiscal year 1984-85 and $445,200 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in 1983. Also included in the above appropriation is not less than $225,700 in fiscal year 1984-85 and not less than $225,700 in fiscal year 1985-86 for the Population Research Unit at the Urban Studies Center.

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53. UNIVERSITY OF KENTUCKY

1984-85	$174,661,700
1985-86	$186,230,300

Included in the above appropriation is $9,152,200 in fiscal year 1984-85 and $9,359,300 in fiscal year 1985-86 for debt service. Of the stated debt service amounts, $2,590,700 in fiscal year 1984-85 and $2,582,200 in fiscal year 1985-86 are for the Community College System. Also included is $566,000 in fiscal year 1984-85 and $594,300 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

Included in the above appropriation is an amount for the Community College System which shall not be less than $29,291,500 in fiscal year 1984-85 and $31,511,700 in fiscal year 1985-86. Included in the appropriation to the Community College system is $81,000 in fiscal year 1984-85 and $85,100 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

TOTAL - HIGHER EDUCATION

1984-85	$419,346,700
1985-86	$449,428,800

H. HUMAN RESOURCES

54. CABINET FOR HUMAN RESOURCES

a. Department for Social Insurance

1. Administration

1984-85	$ 34,600,000
1985-86	$ 35,000,000

In the event that any portion of this appropriation in either fiscal year is deemed to be in excess of the necessary expenses for administration of the department, such amount, with the approval of the Governor, may be used for Public Assistance Benefits to the needy in accordance with the statutes governing the functions and activities of the Department for Social Insurance. In no instance shall these excess funds be used, without the prior written approval of the Governor, to:

1. establish a new program,
2. expand the services of an existing program,
3. increase rates or payment levels in an existing program.

In instances where approval is given, notification shall be immediately forwarded to the Legislative Research Commission, along with the Governor's written approval and supporting documents from the Cabinet for Human Resources and the Finance and Administration Cabinet.

2. Benefits

1984-85	$207,504,700
1985-86	$217,411,400

To be used for the payment of benefits in accordance with the statutes governing the functions and activities of the Department for Social Insurance. No portion of this appropriation may be used for the costs of administration.

All medical assistance vendor statements for services rendered as a result of bona fide claims for medical care may be paid in the fiscal year in which such statements are received by the paying agency.

b. Department for Employment Services

1984-85	$ 259,700
1985-86	$ 269,200

In the event that in one or both fiscal years of the biennium, the General Fund appropriations to the Department are not required as match for the Federal Work Incentive Program funds, such appropriations shall be transferred to the Department for Social Insurance to be utilized as additional funding for the AFDC Child Care Special Allowance Subprogram.

c. Department for Health Services

1984-85	$ 93,190,000
1985-86	$109,190,000

Included in the above appropriation is $4,618,800 in fiscal year 1984-85 and $4,618,800 in fiscal year 1985-86 for debt service.

d. Department for Social Services

1984-85 .... $ 44,148,400
1985-86 .... $ 44,339,000

The Division for Field Services direct services personnel are exempted from any personnel ceiling which may be imposed within the executive branch. It is the intent of this General Assembly that this Division be fully staffed for the duration of the biennium.

e. Executive Policy Support

1984-85 .... $ 11,425,000
1985-86 .... $ 12,100,000

It is the intent of this General Assembly to focus the Cabinet's resources, insofar as possible, on direct service provision, minimizing indirect administrative expenses. To this end, a limit of 15% on administrative cost is hereby established for all contracts except Medicaid Benefits, (including Program Administration Contracts) between the Cabinet and non-state government agencies and individuals. In the case of contractors who is turn utilize subcontracting with other service providers, the combined administrative limit is 20%. If administrative cost exceeds these limits, the additional expense shall be the responsibility of the contract or subcontract agency, not the Commonwealth.

In reference to Medicaid, reimbursement to providers shall be governed by the reimbursement policy established by the Cabinet and applicable Federal regulations except that every attempt shall be made to limit reimbursement of administrative expense to only those services minimally required to facilitate direct service provision to clients.

The Cabinet is authorized to promulgate administrative regulations to accomplish this legislative intent. Auditors for the Cabinet, and the State Auditor are hereby directed to complete audits of all Cabinet contracts, beginning with those effective July 1, 1984 and henceforth, and a statement of this intent as a criteria shall be noted in such audit reports.

Included in the above appropriation is $2,791,700 in fiscal year 1984-85 and $2,787,900 in fiscal year 1985-86 for debt service.

TOTAL - HUMAN RESOURCES

1984-85 .... $390,051,500
1985-86 .... $416,915,100

I. JUSTICE

55. JUSTICE CABINET

a. Department of Training

1984-85 .... $ 790,000
1985-86 .... $ 798,000

b. Department of State Police

1984-85 .... $ 58,700,000
1985-86 .... $ 62,600,000

Included in the above appropriation is $752,000 in fiscal year 1984-85 and in fiscal year 1985-86 for the Kentucky Early Warning System (KEWS) operation.

There is hereby appropriated to the Department of State Police funds which are required as a result of the Governor's call of the Kentucky State Police to extraordinary duty; provided, however, that an emergency situation shall have been declared to exist by the Governor.

c. Justice Administration

1984-85 .... $ 1,408,000
1985-86 .... $ 1,547,000

TOTAL - JUSTICE CABINET

1984-85 .... $ 60,808,600
1985-86 .... $ 64,945,000

J. LABOR

56. LABOR CABINET

a. General Administration and Support

1984-85 .... $ 38,000
1985-86 .... $ 39,900

b. Department of Workplace Standards

1984-85 .... $ 1,312,000

1985-86	$ 1,410,100

TOTAL - LABOR CABINET

1984-85	$ 1,350,000
1985-86	$ 1,450,000

K. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

57. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET

a. Department of Natural Resources

1984-85	$ 6,240,000
1985-86	$ 6,300,000

Not less than $60,000 of the appropriation for each fiscal year shall be set aside for emergency forest fire suppression. Any expenditure for emergency fire suppression in excess of this amount in either fiscal year is hereby appropriated; provided, however, that the Secretary of the Finance and Administration Cabinet shall certify as to the advisability of such expenditure and the Governor shall approve such expenditure by written order.

b. Department of Environmental Protection

1984-85	$ 7,100,000
1985-86	$ 7,300,000

c. Department of Surface Mining Reclamation and Enforcement

1984-85	$ 6,000,000
1985-86	$ 6,200,000

Included in the above appropriations is $1,000,000 in each fiscal year for the return of permit and acreage fees per KRS 350.139; any required expenditure for this purpose in excess of this amount in either fiscal year is hereby appropriated to the department.

d. General Administration and Support

1984-85	$ 2,300,000
1985-86	$ 2,450,000

TOTAL - NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET

1984-85	$ 21,640,000
1985-86	$ 22,250,000

58. ENVIRONMENTAL QUALITY COMMISSION

1984-85	$ 76,400
1985-86	$ 80,200

59. KENTUCKY NATURE PRESERVES COMMISSION

1984-85	$ 165,400
1985-86	$ 171,600

TOTAL - NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

1984-85	$ 21,893,500
1985-86	$ 22,521,700

L. PUBLIC PROTECTION AND REGULATION

60. OFFICE OF THE SECRETARY

1983-84	$ 21,800
1984-85	$ 250,000
1985-86	$ 275,000

61. DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

1983-84	$ 50,000
1984-85	$ 1,100,000
1985-86	$ 1,200,000

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62. BOARD OF CLAIMS/CRIME VICTIMS COMPENSATION BOARD

1984-85	$ 580,000
1985-86	$ 610,000

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63. BOARD OF TAX APPEALS

1983-84	$ 3,000
1984-85	$ 211,000
1985-86	$ 220,000

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64. DEPARTMENT OF HOUSING, BUILDINGS AND CONSTRUCTION

1984-85	$ 3,000,000
1985-86	$ 3,015,000

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65. DEPARTMENT OF INSURANCE

1984-85	$ 1,540,000
1985-86	$ 1,575,000

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66. KENTUCKY STATE RACING COMMISSION

1984-85	$ 380,000
1985-86	$ 400,000

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67. KENTUCKY HARNESS RACING COMMISSION

1984-85	$ 380,000
1985-86	$ 400,000

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68. QUARTER HORSE AND APPALOOSA COMMISSION

at 1983-84	$ 59,600
1984-85	$ 122,500
1985-86	$ 59,500

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69. DEPARTMENT OF MINES AND MINERALS

1984-85	$ 5,922,000
1985-86	$ 6,080,000

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70. DEPARTMENT OF PUBLIC ADVOCACY

1984-85	$ 6,330,000
1985-86	$ 6,400,000

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71. PUBLIC SERVICE COMMISSION

1984-85	$ 3,655,000
1985-86	$ 3,889,000

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72. REGISTRY OF ELECTION FINANCE

1983-84	$ 18,300
1984-85	$ 240,000

1985-86	$ 278,000

TOTAL - PUBLIC PROTECTION AND REGULATION

1981-82	$ 152,700
1984-85	$ 23,792,300
1985-86	$ 24,483,300

M. REVENUE CABINET

73. REVENUE CABINET

a. Executive Policy and Support

1984-85	$ 444,400
1985-86	$ 448,300

b. Department of Professional and Support Services

1984-85	$ 3,699,000
1985-86	$ 3,704,900

c. Department of Processing and Enforcement

1983-84	$ 500,000
1984-85	$ 19,202,300
1985-86	$ 20,564,100

d. Department of Property Taxation

1984-85	$ 13,299,500
1985-86	$ 13,527,900

Included in the above appropriation is $11,226,800 in fiscal year 1984-85 and $11,632,200 in fiscal year 1985-86 for property valuation administrators. There is hereby appropriated to the Revenue Cabinet funds required for expenses in excess of these amounts for property valuation administrators. Property valuation administrators shall receive a maximum three percent (3%) salary increase each fiscal year.

TOTAL - REVENUE CABINET

1983-84	$ 500,000
1984-85	$ 36,645,200
1985-86	$ 38,245,100

N. TOURISM

74. OFFICE OF THE SECRETARY

1984-85	$ 618,000
1985-86	$ 650,000

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75. DEPARTMENT OF TRAVEL DEVELOPMENT

1984-85	$ 2,015,000
1985-86	$ 2,030,000

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76. DEPARTMENT OF PARKS

1984-85	$ 14,295,000
1985-86	$ 18,000,000

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77. KENTUCKY HORSE PARK

1984-85	$ 1,870,000
1985-86	$ 1,950,000

Included is $1,411,000 and $1,406,000 for fiscal year 1985 and fiscal year 1986 respectively for the debt service requirement of the Project 29 Revenue Bonds.

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78. BREAKS INTERSTATE PARK

1984-85	$ -0-
1985-86	$ -0-

For matching funds appropriated by the Commonwealth of Virginia relating to construction, maintenance, and operations at the Breaks Interstate Park. In accordance with the Breaks Interstate Compact this appropriation is contingent upon an appropriation by the Commonwealth of Virginia adequate to match this amount on an equal basis; provided, however, that appropriations to date shall be considered cumulatively, and any deficit in appropriations by this state may be removed.

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79. STATE FAIR BOARD

1984-85	$ 4,800,000
1985-86	$ 5,000,000

Included in the above appropriation is at least $5,500,000 in fiscal year 1984-85 and $5,500,000 in fiscal year 1985-86 for debt service.

TOTAL - TOURISM

1984-85	$ 23,598,000
1985-86	$ 27,630,000

O. TRANSPORTATION

80. TRANSPORTATION CABINET

a. General Administration and Support

1984-85	$ 292,000
1985-86	$ 300,000

b. Air Transportation

1984-85	$ 1,045,000
1985-86	$ 1,090,000

Included in the above appropriation is $72,400 in fiscal year 1984-85 and $74,500 in fiscal year 1985-86 for debt service. Also, included within the above is $200,000 per fiscal year in General Funds budgeted to establish a public utility airport maintenance fund. Funds appropriated are to be matched on a 50% basis with funds provided by local airport boards for projects aimed at maintaining public utility airports in the state. Funds provided for state matching purposes shall be limited to $10,000 per airport and the Transportation Cabinet shall report to the Legislative Research Commission within thirty (30) days after the close of fiscal year 1984-85 and fiscal year 1985-86 on the projects accomplished with the funds appropriated.

c. Rail Transportation

1984-85	$ 75,000
1985-86	$ 79,000

d. Public Transportation

1984-85	$ 45,000
1985-86	$ 99,000

TOTAL - TRANSPORTATION

1984-85	$ 1,457,000
1985-86	$ 1,868,000

TOTAL - EXECUTIVE DEPARTMENT OF STATE GOVERNMENT

1983-84	$ 2,508,700
1984-85	$2,428,589,300
1985-86	$2,606,325,700

PART II

TRUST AND AGENCY FUNDS

There is appropriated to the various officers, cabinets, departments, boards, commissions, institutions, subdivisions, and other agencies of the State Government only as are listed herein for the fiscal year ending June 30, 1985, and for the fiscal year ending June 30, 1986, all of the fees (which include fees for board and room, athletics, and student activities) and rental, admittances, sales, bond proceeds, licenses collected by law, gifts, subventions, contributions, income from investments and other miscellaneous receipts produced or received by any of the following agencies of the State Government, except as otherwise specifically provided, for the use and benefit of each of the below-named agencies of the State Government for the purposes for which each fund is authorized. Receipts which are received by each of the respective agencies of the State Government listed herein shall be placed to the credit of a Trust and Revolving, or an Agency Fund out of which shall be established separate Trust and Revolving or Agency Fund accounts for the use and benefit of these agencies of the State Government for purposes for which each fund is authorized. All funds received shall be deposited in the State Treasury and credited to the proper account as provided by KRS Chapters 12, 42, 45, and 48.

In the event receipts received and credited to any Trust and Revolving or Agency Fund account during fiscal year 1984-85 or fiscal year 1985-86 and any balance forwarded to the credit of any such account from the previous year, exceed, by the sum of five percent (5%), the appropriation made by specific sum to said account for the fiscal year in which the excess occurs, said excess shall become available for expenditure for the purpose of the account during said year only with the authorization of the Executive Director of the Governor's Office for Policy and Management upon approval of the Secretary of the Finance and Administration Cabinet; provided, however, that institutions of higher education may receive and expend all trust and agency funds without limitation.

Except as herein otherwise provided, the appropriate agency may requisition for expenditure from the Trust and Revolving or Agency Fund account, through the Finance and Administration Cabinet, during the fiscal year ending June 30, 1985, and during the fiscal year ending June 30, 1986, all receipts placed to the credit of the Trust and Revolving or Agency Fund for such year, out of which has been established a Trust and Revolving or Agency Fund account for each separate agency during such fiscal year, in addition to any balance which said agency may have had forwarded from the preceding year on or before August 31, of the then current fiscal year, by the Finance and Administration Cabinet. On or before the beginning of each fiscal year, each agency, other than institutions of higher education, shall submit to the Finance and Administration Cabinet and the Legislative Research Commission schedules for each budget unit showing estimated receipts and estimated expenditures, a comparative statement of any revised estimated receipts and expenditure with amounts provided in the executive budget as adopted by the 1984 General Assembly, and statements which explain the occurrence of such variances.

In the event a budget unit not listed herein receives unanticipated monies, the Secretary of the Finance and Administration Cabinet, upon written request from the agency head with appropriate documentation of the amount, source, purpose, necessity and use of such monies, may authorize, upon recommendation of the Governor's Office for Policy and Management, the credit and expenditure of such funds for statutory purposes. The Secretary of the Finance and Administration Cabinet shall cause to be established a restricted account for the receipt and disbursement of such funds and shall establish the maximum sum which may be credited and expended from the authorized account. The Secretary of the Finance and Administration Cabinet, in consultation with the Interim Joint Committee on Appropriations and Revenue, shall provide appropriate notice pursuant to this event to the Legislative Research Commission.

A. GOVERNMENT OPERATIONS

1. SECRETARY OF STATE

All operating receipts from all activities of the office of the Secretary of State shall be deposited in the State Treasury to the credit of the General Fund.

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2. BOARD OF ELECTIONS

1984-85 . . . . $ 77,500
1985-86 . . . . $ 34,800

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3. TREASURY

1984-85 . . . . $ 313,300
1985-86 . . . . $ 162,500

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4. DEPARTMENT OF LAW

1984-85 . . . . $ 1,487,000
1985-86 . . . . $ 1,527,900

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5. AUDITOR OF PUBLIC ACCOUNTS

1984-85 . . . . $ 759,500
1985-86 . . . . $ 490,700

The Auditor of Public Accounts shall quarterly notify the Finance and Administration Cabinet of the status of the collection of fees charged for county audit work conducted, and the Finance and Administration Cabinet shall withhold any monies due any county government which is delinquent in payment of fees to the Auditor of Public Accounts for the term of one hundred and twenty (120) days until the Auditor of Public Accounts has received full payment from the county. The Auditor of Public Accounts is hereby authorized to increase the audit fees for conducting County Audits if additional revenues are needed to continue the operation of the office.

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6. DEPARTMENT OF MILITARY AFFAIRS

a. General Operations

1984-85	$ 578,600
1985-86	$ 625,500

b. Disaster and Emergency Services

1984-85	$ 63,800
1985-86	$ 115,700

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7. KENTUCKY HORSE COUNCIL

1984-85	$ 25,900
1985-86	$ 29,600

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8. DEPARTMENT OF PERSONNEL

a. General Operations

1984-85	$ 486,400
1985-86	$ 641,800

b. Workers' Compensation
Benefits and Reserve

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9. PERSONNEL BOARD

1984-85	$ 45,500
1985-86	$ 24,500

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10. DEPARTMENT FOR LOCAL GOVERNMENT

1984-85	$ 858,200
1985-86	$ 851,400

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11. Kentucky Retirement Systems

1984-85	$ 1,378,200
1985-86	$ 1,416,400

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12. CAPITAL PLAZA

1984-85	$ 1,686,700
1985-86	$ 1,670,500

The above funds include $1,366,500 in fiscal year 1984-85 and $1,341,200 in fiscal year 1985-86 for debt service payment of the Capital Plaza. Also included in the above appropriations is $329,500 in fiscal year 1984-85 and $351,500 in fiscal year 1985-86 for general operations.

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13. COUNTY FEES

	1984-85	1985-86
Jefferson County	$9,396,600	$9,678,500
Kenton County	1,564,300	1,611,300
Campbell County	957,100	985,800
Fayette County	3,140,200	3,234,400
Daviess County	1,101,000	1,134,000
Pike County	1,089,500	1,122,200

County Fees for the following counties: Jefferson, Kenton, Fayette, Campbell, Daviess, and Pike are for paying the various officials of each county enumerated, seventy-five percent (75%) of the fees provided by law. This is to be paid, by the State, to these officials when their claims for fees have been presented to the Finance and Administration Cabinet in the form and manner prescribed by law and approved by the Secretary of the Finance and Administration Cabinet. Each Fiscal Court of said counties are to receive twenty-five percent (25%) of said fees as required by KRS 64.350.

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14. OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS

	1984-85	1985-86
a. Board of Accountancy	$249,600	$270,700
b. Board of Architects	$ 77,000	$ 79,000
c. Board of Auctioneers	$ 99,400	$104,000
d. Board of Barbers	$108,100	$111,400
e. Board of Chiropractic Examiners	$ 42,500	$ 44,000
f. Board of Dental Examiners	$243,800	$259,800
g. Board of Embalmers and Funeral Directors	$ 86,000	$ 88,000
h. Board of Engineers and Land Surveyors	$289,200	$295,200
i. Board of Hairdressers and Cosmetologists	$485,900	$518,300
j. Board of Hearing Aid Dealers	$ 10,100	$ 10,300
k. Board of Landscape Architecture	$ 10,400	$ 11,600
l. Board of Medical Licensure	$489,200	$593,000
m. Board of Nurses	$861,000	$936,800
n. Nursing Home Administrators Licensure Board	$ 40,900	$ 44,500
o. Board of Ophthalmic Dispensers	$ 12,200	$ 13,000
p. Board of Optometric Examiners	$ 40,800	$ 40,800
q. Board of Pharmacy	$279,900	$291,600
r. Board of Physical Therapy	$ 50,700	$ 51,200
s. Board of Podiatry	$ 3,000	$ 3,000
t. Board of Proprietary Education	$ 53,500	$ 58,600
u. Board of Psychology	$ 22,500	$ 23,500
v. Real Estate Commission		
1. Examination and Licensing	$469,400	$483,800
2. Real Estate Education Research and Recovery	$462,300	$520,000
w. Board of Social Workers	$ 39,200	$ 39,400
x. Board of Speech Pathologists and Audiologists	$ 9,800	$ 10,300
y. Board of Veterinary Examiners	$ 66,900	$ 66,900

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15. PUBLIC EMPLOYEES DEFERRED COMPENSATION SYSTEM

1984-85	$ 89,400
1985-86	$ 77,900

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16. KENTUCKY REINSURANCE ASSOCIATION

1984-85	$ 65,585,300
1985-86	$ 65,599,600

17. GOVERNMENTAL SERVICES CENTER

1984-85 $ 810,900
1985-86 $ 833,800

B. COMMERCE

18. DEPARTMENT OF ECONOMIC DEVELOPMENT

1984-85 $ 400,900
1985-86 $ 536,000

Included in the above appropriation is $178,300 in fiscal year 1984-85 and $170,300 in fiscal year 1985-86 for enabling legislation enacted by the 1984 General Assembly for implementation of a Business Information Clearinghouse program.

19. KENTUCKY DEVELOPMENT FINANCE AUTHORITY

1984-85 $ 14,791,100
1985-86 $ 9,737,200

The Authority shall lapse $100,000 during the first month of each fiscal year to the General Fund. These funds shall not represent any portion of the loan fund established by the $50 million bond authorization of the 1982 General Assembly.

20. DEPARTMENT OF THE ARTS

1984-85 $ 186,400
1985-86 $ 191,400

21. DEPARTMENT OF AGRICULTURE

1984-85 $ 1,477,100
1985-86 $ 1,522,100

The Milk Marketing Commission shall not incur any deficit in its operations and the Secretary of Finance and Administration is hereby directed to take any necessary actions to accomplish this purpose.

22. TOBACCO RESEARCH BOARD

1984-85 $ 23,500
1985-86 $ 25,100

C. CORRECTIONS

23. CORRECTIONS CABINET

1984-85 $ 6,992,200
1985-86 $ 7,843,300

D. EDUCATION AND HUMANITIES

24. DEPARTMENT OF EDUCATION

a. General Administration
1984-85 $ 2,458,700
1985-86 $ 2,417,700

b. Education for Exceptional Children
1984-85 $ 425,100
1985-86 $ 402,600

c. Vocational Education
1984-85 $ 17,847,900
1985-86 $ 19,409,200

d. Instruction
1984-85 $ 72,300
1985-86 $ 68,300

e. Administrative Services
and Budget Management

1984-85	$ 255,000
1985-86	$ 255,000

25. KENTUCKY EDUCATIONAL TELEVISION

1984-85	$ 300,000
1985-86	$ 300,000

26. HISTORICAL SOCIETY

1984-85	$ 283,700
1985-86	$ 214,100

27. LIBRARY AND ARCHIVES

1984-85	$ 416,900
1985-86	$ 482,500

28. DEPARTMENT FOR THE BLIND

1984-85	$ 1,623,500
1985-86	$ 1,708,200

29. KENTUCKY SCHOOL BUILDING AUTHORITY

1984-85	$ 179,000

30. HERITAGE COUNCIL

1984-85	$ 500
1985-86	$ 500

31. TEACHERS' RETIREMENT SYSTEM

1984-85	$ 1,394,400
1985-86	$ 1,469,400

E. ENERGY

32. KENTUCKY ENERGY CABINET

1984-85	$ 498,900
1985-86	$ 446,100

F. FINANCE AND ADMINISTRATION

33. FINANCE AND ADMINISTRATION CABINET

a. Office of the Secretary

1984-85	$ 428,900
1985-86	$ -0-

All funds received under any program of anti-recession or counter cyclical assistance enacted by the United States Congress are hereby appropriated to the Finance and Administration Cabinet to be used for the maintenance of basic services in and among the various agencies, cabinet, and departments of state government. Any portion of these funds may be transferred to other major program areas or agencies of state government for the purpose of continuing basic services; provided, however, that such transfers shall be used to reduce General Fund appropriations and shall not in any way increase the expenditure level authorized by the General Assembly.

b. State Office for Social Security

1984-85	$ 374,400
1985-86	$ 385,100

c. Office of Investment and Debt Management

1984-85	$ 205,800
1985-86	$ 214,900

d. Department of Administration

1984-85	$ 6,926,400
1985-86	$ 7,024,200

e. Department of Facilities Management

1984-85	$ 28,521,800
1985-86	$ 31,273,300

f. Department of Information Systems

1984-85	$ 20,063,700
1985-86	$ 20,911,500

G. HIGHER EDUCATION

34. HIGHER EDUCATION ASSISTANCE AUTHORITY

1984-85	$ 9,397,300
1985-86	$ 7,129,100

Included in the above appropriation is $4,510,600 in 1984-85 and $1,458,500 in 1985-86 for the Student Grant Program, $2,994,600 in 1984-85 and $3,137,100 in 1985-86 for the Student Loan Program, $1,007,100 in 1984-85 and $1,058,500 in 1985-86 for the Work Study Program, and $885,000 in 1984-85 and $1,475,000 in 1985-86 for the Education Excellence Incentive Program.

35. UNIVERSITY OF KENTUCKY

1984-85	$202,677,700
1985-86	$211,312,900

36. UNIVERSITY OF LOUISVILLE

1984-85	$ 67,699,900
1985-86	$ 68,857,100

37. EASTERN KENTUCKY UNIVERSITY

1984-85	$ 37,667,700
1985-86	$ 38,267,000

38. WESTERN KENTUCKY UNIVERSITY

1984-85	$ 24,370,400
1985-86	$ 25,527,000

39. MOREHEAD STATE UNIVERSITY

1984-85	$ 16,427,400
1985-86	$ 17,190,900

40. MURRAY STATE UNIVERSITY

1984-85	$ 18,469,900
1985-86	$ 18,384,400

41. KENTUCKY STATE UNIVERSITY

1984-85	$ 4,553,300
1985-86	$ 4,795,200

42. NORTHERN KENTUCKY UNIVERSITY

1984-85	$ 14,535,900
1985-86	$ 15,357,400

H. HUMAN RESOURCES

43. CABINET FOR HUMAN RESOURCES

a. Department for Social Insurance

1. Benefits

1984-85	$ 3,596,400
1985-86	$ 6,185,600

b. Department for Employment Services

1984-85	$ 4,985,900
1985-86	$ 4,985,900

c. Department for Health Services

1984-85	$ 44,055,100
1985-86	$ 34,626,100

d. Department for Social Services

1984-85	$ 5,351,600
1985-86	$ 5,666,500

e. Executive Policy Support

1984-85	$ 4,338,400
1985-86	$ 4,338,400

I. JUSTICE

44. JUSTICE CABINET

a. Department of Training

1984-85	$ 8,731,700
1985-86	$ 9,165,600

Under the provisions of the Kentucky Law Enforcement Foundation Program Fund, an eligible local unit of government shall be entitled to receive a supplement to each qualified police officer's annual base salary from the Law Enforcement Foundation Program Fund, to be paid to each officer in addition to his regular salary as prescribed by KRS 15.460 and KRS 15.500. Included in the above appropriation is $8,568,000 in fiscal year 1984-85 and $8,996,400 in fiscal year 1985-86 receipts pursuant to KRS 136.340 for the purpose of the Kentucky Law Enforcement Foundation Program as enacted by the 1982 General Assembly. Also, included is $123,700 in fiscal year 1984-85 and $129,200 in fiscal year 1985-86 for the operation of the Kentucky Law Enforcement Council program and the administration of the KLEFPF funds.

b. Department of State Police

1984-85	$ 475,000
1985-86	$ 500,000

c. Justice Administration

1984-85	$ 2,700
1985-86	$ 1,400

J. LABOR

45. LABOR CABINET

a. General Administration and Support

1984-85	$ 1,655,500
1985-86	$ 1,808,300

b. Department of Workplace Standards

1984-85	$ 1,914,400
1985-86	$ 2,105,300

c. Department of Worker Claims

1984-85	$ 62,620,000
1985-86	$ 63,287,000

The above level of agency receipts is predicated on major changes in the assessment of the Worker's Compensation Maintenance Fund as defined in KRS Chapter 342.

K. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

46. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET

a. Department for Natural Resources

1984-85	$ 3,084,300
1985-86	$ 5,070,600

The maximum expenditure from the water patrol fund as established by KRS 235.330 is to $1,375,000 in fiscal year 1984-85 and $1,450,000 in fiscal year 1985-86, including $175,000 in fiscal year 1984-85 and $150,000 in fiscal year 1985-86 for the operation of the lock and dams on the Kentucky River. Any receipts in excess of the above limits shall be transferred to the general fund.

b. Department for Environmental Protection

1984-85	$ 794,800
1985-86	$ 809,800

c. Department for Surface Mining Reclamation and Enforcement

1984-85	$ 70,000
1985-86	$ 75,400

d. General Administration and Support

1984-85	$ 964,700
1985-86	$ 1,120,900

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47. KENTUCKY NATURE PRESERVES COMMISSION

1984-85	$ 41,000
1985-86	$ 41,000

L. PUBLIC PROTECTION AND REGULATION

48. DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

1984-85	$ 3,500
1985-86	$ 3,500

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49. DEPARTMENT OF BANKING AND SECURITIES

1984-85	$ 2,547,200
1985-86	$ 2,706,500

The Secretary of Finance is hereby directed to transfer the sum of $3,000,000 from the surplus in trust and agency accounts to the General Fund Surplus Account on July 1, 1984.

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50. BOARD OF CLAIMS/CRIME VICTIMS' COMPENSATION

1984-85	$ 262,700
1985-86	$ 272,500

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51. DEPARTMENT OF HOUSING, BUILDINGS, AND CONSTRUCTION

1984-85	$ 10,516,100
1985-86	$ 10,918,300

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52. DEPARTMENT OF INSURANCE

1984-85	$ 1,700,000
1985-86	$ 1,694,600

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53. KENTUCKY STATE RACING COMMISSION

1984-85	$ 3,283,600
1985-86	$ 3,277,400

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54. BACKSIDE IMPROVEMENT COMMISSION

1984-85	$ 597,700
1985-86	$ 597,700

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55. KENTUCKY HARNESS RACING COMMISSION

1984-85	$ 586,900

1985-86	$ 592,700

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56. QUARTER HORSE AND APPALOOSA COMMISSION

1984-85	$ 88,800
1985-86	$ 246,100

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57. DEPARTMENT OF MINES AND MINERALS

1984-85	$ 1,185,500
1985-86	$ 1,188,100

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58. DEPARTMENT OF PUBLIC ADVOCACY

1984-85	$ 80,000
1985-86	$ 85,000

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59. PUBLIC SERVICE COMMISSION

1984-85	$ 4,100
1985-86	$ 4,400

M. REVENUE

60. REVENUE CABINET

a. Processing and Enforcement

1984-85	$ 727,500
1985-86	$ 727,500

b. Property Taxation and Property Valuation

1984-85	$ 391,500
1985-86	$ 441,200

N. TOURISM

61. DEPARTMENT OF PARKS

1984-85	$ 31,725,100
1985-86	$ 29,634,000

Included in the above appropriation is $1,470,000 in fiscal year 1985 and $1,473,000 in fiscal year 1986 for the debt service on revenue bonds issued in 1962, 1965, and 1967.

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62. KENTUCKY HORSE PARK

1984-85	$ 2,993,200
1985-86	$ 3,104,000

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63. FISH AND WILDLIFE RESOURCES

1984-85	$ 13,083,100
1985-86	$ 13,574,100

Beginning July 1, 1984, the Commission shall lapse to the General Fund at the beginning of each fiscal quarter one-quarter of a total $1,127,700 in fiscal year 1984-85 and one-quarter of a total $1,150,200 in fiscal year 1985-86. These funds shall represent investment income and other sources of revenue other than hunting and fishing fees.

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64. KENTUCKY STATE FAIR BOARD

1984-85	$ 12,800,200
1985-86	$ 13,483,300

O. TRANSPORTATION

65. DEPARTMENT OF TRANSPORTATION

a.	Air Transportation	
	1984-85	$ 10,000
	1985-86	$ 10,000
b.	Highways	
	1984-85	$ 1,333,000
	1985-86	$ 1,225,000

PART III
FEDERAL FUNDS

There is appropriated to the various officers, cabinets, departments, boards, commissions, institutions, subdivisions, and other agencies of the State Government only as are listed herein for the fiscal year ending June 30, 1985, and for the fiscal year ending June 30, 1986, Federal subventions, grants, contracts and other Federal funds received, income from investments and other miscellaneous Federal receipts received by any of the following agencies of the State Government, except as otherwise specifically provided, for the use and benefit of each of the below-named agencies of the State Government for the purposes for which each fund is authorized. Receipts which are received by each of the respective agencies of the State Government listed herein shall be placed to the credit of a Federal Fund out of which shall be established separate accounts for the use and benefit of these agencies of the State Government for purposes for which each fund is authorized. All funds received shall be deposited in the State Treasury and credited to the proper account as provided by KRS chapter 12, 42, 45, and 48.

In the event receipts received and credited to any Federal Fund account during fiscal year 1984-85 or fiscal year 1985-86, and any balance forwarded to the credit of any such account from the previous fiscal year, exceed, by the sum of five percent, the appropriation made by specific sum to said account for the fiscal year in which the excess occurs, said excess shall become available for expenditure for the purpose of the account during said year only with the authorization of the Executive Director of the Governor's Office for Policy and Management upon approval of the Secretary of the Finance and Administration Cabinet; provided, however, that institutions of higher education may receive and expend all Federal funds without limitation.

Except as herein otherwise provided, the appropriate agency may requisition for expenditure from the Federal Fund account, through the Finance and Administration Cabinet, during the fiscal year ending June 30, 1985, and during the fiscal year ending June 30, 1986, all receipts placed to the credit of the Federal Fund for such year, out of which has been established a Federal Fund account for each separate agency during such fiscal year, in addition to any balance which said agency may have had forwarded from the preceding year on or before August 31, of the then current fiscal year, by the Finance and Administration Cabinet. On or before the beginning of each fiscal year, each agency, other than institutions of higher education, shall submit to the Finance and Administration Cabinet and the Legislative Research Commission schedules for each budget unit showing estimated receipts and estimated expenditures for the ensuing fiscal year, a comparison of any revised estimates with the amounts provided in the Executive Budget as adopted by the 1984 General Assembly, and statements which explain the occurrence of such variances.

In the event a budget unit not listed herein receives unanticipated monies, the Secretary of the Finance and Administration Cabinet, upon written request from the agency head with appropriate documentation of the amount, source, purpose, necessity and use of such monies, may authorize, upon recommendation of the Governor's Office for Policy and Management the credit and expenditure of such funds for statutory purposes. The Secretary of the Finance and Administration Cabinet shall cause to be established a restricted account for the receipt and disbursement of such funds and shall establish the maximum sum which may be credited and expended from the authorized account. The Secretary of the Finance and Administration Cabinet, in consultation with the Interim Joint Appropriations and Revenue Committee, shall provide appropriate notice pursuant to this event to the Legislative Research Commission. No state agency which shall be entitled to receive federal funds which would represent one-hundred percent (100%) of the cost of a program in which the state participates shall decline to accept or receive such entitlement without notification to the Interim Joint Committee on Appropriations and Revenue of the Legislative Research Commission.

A. GOVERNMENT OPERATIONS

1.	DEPARTMENT OF LAW	
	1984-85	$ 1,498,400
	1985-86	$ 1,540,100

2.	DEPARTMENT OF MILITARY AFFAIRS		
	a.	General Operations	
		1984-85	$ 1,033,200
		1985-86	$ 1,072,300

b. Disaster and Emergency Services

1984-85	$ 1,334,700
1985-86	$ 1,274,900

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3. DEPARTMENT FOR LOCAL GOVERNMENT

1984-85	$ 36,546,700
1985-86	$ 35,416,000

B. COMMERCE

4. DEPARTMENT OF ECONOMIC DEVELOPMENT

1984-85	$ 37,500
1985-86	$ 18,700

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5. DEPARTMENT OF THE ARTS

1984-85	$ 437,600
1985-86	$ 437,600

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6. DEPARTMENT OF AGRICULTURE

1984-85	$ 2,123,500
1985-86	$ 2,234,500

C. CORRECTIONS

7. CORRECTIONS CABINET

1984-85	$ 45,800
1985-86	$ 39,400

D. EDUCATION AND HUMANITIES

8. DEPARTMENT OF EDUCATION

a. General Administration

1984-85	$ 2,229,400
1985-86	$ 2,247,400

b. Education for Exceptional Children

1984-85	$ 19,486,100
1985-86	$ 21,389,100

c. Instruction

1984-85	$ 63,662,600
1985-86	$ 63,386,100

d. Local Services

1984-85	$ 71,229,100
1985-86	$ 74,016,200

e. Vocational Education

1984-85	$ 16,305,100
1985-86	$ 15,626,500

f. Vocational Rehabilitation

1984-85	$ 17,575,000
1985-86	$ 18,383,100

g. Administrative Services and Budget Management

1984-85	$ 1,590,300
1985-86	$ 1,335,700

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9. LIBRARY AND ARCHIVES

1984-85	$ 1,199,400
1985-86	$ 1,175,100

10.	DEPARTMENT FOR THE BLIND	
	1984-85	$ 2,617,400
	1985-86	$ 2,701,500
11.	ADVISORY COUNCIL ON VOCATIONAL EDUCATION	
	1984-85	$ 111,600
	1985-86	$ 120,000
12.	HERITAGE COUNCIL	
	1984-85	$ 807,900
	1985-86	$ 555,200

E. ENERGY

13.	KENTUCKY ENERGY CABINET	
	1984-85	$ 519,800
	1985-86	$ 428,000

F. HIGHER EDUCATION

14.	HIGHER EDUCATION ASSISTANCE AUTHORITY	
	1984-85	$ 732,300
	1985-86	$ 732,300
15.	UNIVERSITY OF KENTUCKY	
	1984-85	$ 32,178,100
	1985-86	$ 32,178,100
16.	UNIVERSITY OF LOUISVILLE	
	1984-85	$ 9,605,700
	1985-86	$ 9,605,700
17.	EASTERN KENTUCKY UNIVERSITY	
	1984-85	$ 5,902,100
	1985-86	$ 5,902,100
18.	WESTERN KENTUCKY UNIVERSITY	
	1984-85	$ 4,427,100
	1985-86	$ 4,427,100
19.	MOREHEAD STATE UNIVERSITY	
	1984-85	$ 3,452,100
	1985-86	$ 3,452,100
20.	MURRAY STATE UNIVERSITY	
	1984-85	$ 4,444,100
	1985-86	$ 4,444,100
21.	KENTUCKY STATE UNIVERSITY	
	1984-85	$ 4,673,400
	1985-86	$ 4,568,600

22. NORTHERN KENTUCKY UNIVERSITY

1984-85	$ 1,757,500
1985-86	$ 1,757,500

G. HUMAN RESOURCES

23. CABINET FOR HUMAN RESOURCES

a. Department for Social Insurance

1. Administration

1984-85	$ 68,547,100
1985-86	$ 73,787,400

2. Benefits

1984-85	$460,717,100
1985-86	$492,525,700

The Secretary of the Cabinet is hereby directed to transfer at least 10% of federal receipts for the Home Energy Assistance Program Block Grant to the Aging Services Subprogram for Home Care for the Elderly in the Department for Social Services, in each year of the biennium.

b. Department for Employment Services

1. Administration - Unemployment Insurance

1984-85	$ 18,745,400
1985-86	$ 20,620,000

2. Benefits - Unemployment Insurance

1984-85	$339,900,000
1985-86	$373,890,000

3. Employment Services

1984-85	$ 65,500,000
1985-86	$ 65,418,800

c. Department for Health Services

1984-85$	45,255,600
1985-86	$ 45,072,500

d. Department for Social Services

1984-85	$ 69,080,900
1985-86	$ 68,200,000

In the event receipts from the Social Services Block Grant ($39,311,000 in fiscal year 1984-85 and $46,484,400 in fiscal year 1985-86) exceed the budgeted revenues as estimated above, such excess receipts shall be utilized within the Aging Subprogram of the Department for Social Services for Home Care services for the Elderly. The Department may use these excess receipts to reduce, on a dollar for dollar basis, the transfer of Federal Home Energy Assistance funds from the Department for Social Insurance; provided, however, that the Department for Social Insurance obligates such returned sums to increase funds available in the elderly component of the Home Energy Assistance Program.

e. Executive Policy Support

1984-85	$ 11,030,600
1985-86	$ 11,030,600

H. JUSTICE

24. JUSTICE CABINET

a. Justice Administration

1984-85	$ 860,700
1985-86	$ 29,900

b. Department of State Police

1984-85	$ 769,200
1985-86	$ 558,000

I. LABOR

25. LABOR CABINET

a. General Administration and Support

1984-85	$ 344,100

		1985-86	$ 378,400
	b.	Department of Workplace Standards	
		1984-85	1,937,300
		1985-86	378,400
	c.	Kentucky Occupational Safety and Health Review Commission	
		1984-85	$ 260,900
		1985-86	$ 280,700

J. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

26.	NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET		
	a.	Department of Natural Resources	
		1984-85	$ 3,099,000
		1985-86	$ 3,446,000
	b.	Department of Environmental Protection	
		1984-85	$ 6,050,000
		1985-86	$ 5,963,300
	c.	Department of Surface Mining Reclamation and Enforcement	
		1984-85	$ 11,676,900
		1985-86	$ 12,225,300

27.	ENVIRONMENTAL QUALITY COMMISSION	
	1984-85	$ 2,800

K. PUBLIC PROTECTION AND REGULATION

28.	DEPARTMENT OF MINES AND MINERALS	
	1984-85	$ 492,700
	1985-86	$ 488,500

29.	DEPARTMENT OF PUBLIC ADVOCACY	
	1984-85	$ 136,400
	1985-86	$ 136,400

30.	PUBLIC SERVICE COMMISSION	
	1984-85	$ 106,100
	1985-86	$ 110,500

L. TOURISM

31.	DEPARTMENT OF FISH AND WILDLIFE RESOURCES	
	1984-85	$ 3,900,000
	1985-86	$ 4,158,900

M. TRANSPORTATION

32.	TRANSPORTATION CABINET		
	a.	Air Transportation	
		1984-85	$ 11,600
		1985-86	$ 11,600
	b.	Rail Transportation	
		1984-85	$ 200,000
		1985-86	$ 200,000
	c.	Public Transportation	
		1984-85	$ 2,454,300
		1985-86	$ 2,451,500

d. Highways

1984-85	$266,719,000
1985-86	$254,589,400

If federal receipts due to the Commonwealth are in excess of the above appropriations, such funds are hereby appropriated.

PART IV
ROAD FUND

KRS 48.010(13)(g) provides that the Road Fund shall consist of money derived from excise or license taxation relating to gasoline and other motor fuels, and monies derived from fees, excise or license taxation relating to registration, operation or use of vehicles for use on public highways.

The following monies are appropriated from the Road Fund:

A. TRANSPORTATION

1. TRANSPORTATION CABINET

a. General Administration and Support

1984-85	$ 35,610,200
1985-86	$ 37,513,600

b. Highways

1984-85	$426,939,800
1985-86	$437,787,600

1. Included within the above appropriation is $22,098,400 in fiscal year 1984-85 and $11,807,400 in fiscal year 1985-86 for resurfacing of the state highway system.

2. Included within the above appropriation is $10,000,000 in fiscal year 1984-85 and $10,000,000 in fiscal year 1985-86 for state construction projects. The Secretary of Transportation may use State Construction appropriations for emergencies which occur on county roads, e.g. bridge failures, severe snow and ice, slips and slides.

3. The General Assembly does hereby authorize the issuance of up to $300 million in Economic Development Road Bonds in the 1984-86 fiscal biennium for new construction projects specifically contained in the Transportation Cabinet's two year construction plan and four year pre-construction program. The authorization provided shall be reduced by the amount of Economic Development Road Bonds issued in the 1982-85 biennium pursuant to **HB 295**, the 1982-84 biennial budget bill. Included within the above appropriation is $17,792,500 in fiscal year 1984-85 and $35,585,000 in fiscal year 1985-86 for debt service on Economic Development Road Bonds.

4. Included within the above appropriation is $55,335,100 in fiscal year 1984-85 and $50,853,700 in fiscal year 1985-86 for toll road lease rental.

5. Included within the above appropriation is $46,911,700 in fiscal year 1984-85 and $46,906,900 in fiscal year 1985-86 for debt service on Resource Recovery Road projects. It is the intent of the General Assembly that the Secretary of the Transportation Cabinet shall use Road Fund resources to meet the lease rental payments to the Kentucky Turnpike Authority for Resource Recovery Road projects in the amount certified by the Secretary of the Transportation Cabinet, pursuant to KRS 143.090. However, in the event that Road Fund resources are not sufficient to meet lease rental payments, the additional amount required for meeting lease rental payments as certified by the Secretary of the Transportation Cabinet under KRS 143.090 shall be transferred from coal severance tax receipts to cover the obligation.

6. Included within the above appropriation is $29,445,000 in fiscal year 1984-85 and $29,484,000 in fiscal year 1985-86 for the County Road Aid program.

7. Included within the above appropriation is $41,902,500 in fiscal year 1984-85 and $41,958,000 in fiscal year 1985-86 for the Rural Secondary Road Program. In addition, pursuant to the duties and responsibilities of county judge/executives associated with the administration of the local county road program beginning January 1, 1978, the expense allowance for each county judge/executive shall be paid from the Road Fund. These expenses shall be paid from those appropriated funds for the rural and secondary road revenue sharing program as provided in KRS 177.360 and KRS Chapter 67.

8. Included within the above appropriation is $12,646,250 in fiscal year 1984-85 and $12,663,000 in fiscal year 1985-86 for the Municipal Aid program.

9. In addition to the above, the Turnpike Authority shall increase rates on the Commonwealth's toll roads to three (3) cents per mile on July 1, 1984. The funds generated from this increase in rates shall be used entirely on the Commonwealth's toll roads and expended for no other activity in the Transportation Cabinet. There is hereby created a Toll Road Maintenance, Reconstruction, and Rehabilitation Fund in the Highways appropriation unit to receive and expend the funds generated from the increase in rates on the toll roads.

TOTAL - TRANSPORTATION CABINET
1984-85 .... $462,550,000
1985-86 .... $475,300,000

Total permanent full-time positions in the Transportation Cabinet shall not exceed 6,681 permanent full-time positions, each fiscal year of the biennium.

A. COMMERCE

	1984-85	1985-86
1. Office of the Secretary a. Economic Development Projects Bond Fund (Fiscal Year 1983-84)		

Included in the above bond authority are the following projects: American Greeting Card Company, $1,400,000; Jefferson County Vehicle Emission Program, $1,300,000; Capital Plaza Renovation and Relocation Project; $550,000; Ashland Hotel, $2,000,000; Paintsville Lake Boat Ramp and Improvements, $400,000; Freedom Hall Renovation, $12,600,000; Equine Research Center, $3,000,000; Lexington Council of the Arts, $250,000; Lexington Galleria-Coal Center, $15,000,000; Kentucky Horse Park-Covered Arena, $1,000,000.

Economic Development Bonds shall not be used for building projects of state agencies.

B. CORRECTIONS

1. Blackburn Correctional Complex-Electrical System Upgrade Bond Fund (1983-84-$400,000)		
2. Kentucky State Penitentiary - Sewage and Water Plant Upgrade Bond Fund (1983-84-$200,000)		
3. Kentucky State Reformatory-Freezer Facility Bond Fund (1983-84-$225,000)		
4. Western Kentucky Farm Center-100-Bed Dorm Addition Bond Fund (1983-84-$550,000)		
5. Kentucky State Reformatory-Steam Line Repair Bond Fund (1983-84-$500,000)		
6. Kentucky State Reformatory-Electrical Distribution System Bond Fund (1983-84-$200,000)		
7. Kentucky State Reformatory-Waste Incinerator and Heat Recovery Boiler Bond Fund (1983-84-$350,000)		
8. Northpoint Training Center-Electrical Distribution System Replacement Bond Fund		903,000
9. Northpoint Training Center-Steam Line Replacement Bond Fund	277,000	
10. Kentucky State Reformatory-Renovation or construction of 2 Dormitories Bond Fund	100,000	3,000,000
11. Kentucky State Penitentiary-Conversion of Cellhouses 1 and 2		

Bond Fund	700,000	1,460,000
12. Northpoint Training Center-Academic/Vocational Education Building		
Bond Fund		500,000
13. Security Bus		
Investment Income	60,000	
14. Kentucky Correctional Institution for Women-Facility Upgrade		
Bond Fund		5,375,000

Debt Service is not provided for Project 14, various projects at the Kentucky Correctional Institution for Women, as the matter is being litigated before the Federal Court and the security level of housing required is a point of debate. It is the General Assembly's intention, as reflected in this Capital Construction Budget, to authorize bonds for facilities' construction or renovation as required by the Court in settlement of said litigation; resulting debt service and any operational expenses shall be allotted from the General Fund Surplus account (KRS 48.700) and such funds are hereby appropriated.

C. EDUCATION AND THE HUMANITIES

For the major equipment purchase displayed in this section as a General Fund supported project, it is anticipated that these funds shall be transferred from the operating fund at such time as funds are available and needed. The total project cost shown does not reflect an addition to the operating fund appropriation.

1. Eastern Kentucky Rehabilitation Center-External Repairs		
Investment Income	436,600	
Federal Fund	*313,400*	
TOTAL	750,000	
2. Mayo State Vocational/Technical School-Floor and Structural Repairs		
Investment Income	280,000	
3. Kentucky School for the Blind-Campus Lighting		
Investment Income		125,000
4. NCS Sentry 80 Computer System		
General Fund	170,200	

D. ENERGY

For the capital construction project displayed in this section as a General Fund supported project, it is anticipated that these funds shall be transferred from the operating fund at such time as funds are available and needed. The total project cost shown does not reflect an addition to the operating fund appropriation.

1. Laboratory Ventilation System		
General Fund	350,000	

E. FINANCE AND ADMINISTRATION

1. Facilities Management		
a. Emergency, Repair, Maintenance and Replacement Fund		
Investment Income	3,000,000	3,000,000
Revenue Sharing (1983-84-$781,000)		
b. Capital Construction and Equipment Purchase Contingency		

Fund		
Investment Income	500,000	500,000
c. Miscellaneous Projects		
Investment Income	250,000	250,000
d. Fire Sprinklers for New State Office Building		
Agency Fund	700,000	
e. Fire Sprinklers for Capital Plaza Tower		
Agency Fund	800,000	
f. Central Control System Expansion		
Revenue Sharing		
General Fund		

2. Department of Administration

	1984-85	1985-86
- Duplicator		
- Agency Fund	30,000	30,000
- Duplicator		
- Agency Fund	30,000	30,000
- Duplicator		
- Agency Fund	20,400	20,400
- Duplicator		
- Agency Fund	20,400	20,400

3. Information Systems

For the major equipment purchases displayed in this section as agency fund supported projects, it is anticipated that the funds shall be transferred from the operating fund at such time as funds are available and needed. The total project costs shown do not reflect additions to the operating fund appropriations. This debt program is consistent with the definition of Building Projects in KRS 56.440(1)(4).

- Computer Equipment-Debt Service Payments		
Investment Income	550,000	650,000
- Attached Processor		
Bond Fund (1983-84-$400,000)		
- AP Communications Unit		
Bond Fund (1983-84-$115,000)		
- Power and Coolant Distribution Unit		
Bond Fund(1983-84-$70,000)		
- AP System Console		
Bond Fund (1983-84-$60,000)		
- Additional Memory		
Bond Fund (1983-84-$46,700)		
- Additional Memory		
Bond Fund (1983-84-$300,000)		
- Disk Controller		
Bond Fund (1983-84-$49,700)		
- Disk Controller		
Bond Fund (1983-84-$63,600)		
- Disk Controller		
Bond Fund (1983-84-$75,000)		
- Disk Controller		
Bond Fund (1983-84-$67,700)		
- Disk Controller		
Bond Fund (1983-84-$46,000)		
- Disk Controller		
Bond Fund (1983-84-$78,600)		
- Disk Controller		
Bond Fund (1983-84-$79,700)		
- Disk Controller		

Bond Fund (1983-84-$60,500)
- Disk Controller

Bond Fund (1983-84-$100,000)
- Disk Drive

Bond Fund (1983-84-$50,000)
- Disk Drive

Bond Fund (1983-84-$50,000)
- Disk Drive

Bond Fund (1983-84-$50,000)
- Disk Drive

Bond Fund (1983-84-$50,000)
- Disk Drive

Bond Fund (1983-84-$82,800)
- Disk Drive

Bond Fund (1983-84-$84,200)
- Disk Drive

Bond Fund (1983-84-$59,300)
- Disk Drive

Bond Fund (1983-84-$72,000)
- Disk Drive

Bond Fund (1983-84-$72,000)
- Disk Drive

Bond Fund (1983-84-$54,600)
- Disk Drive

Bond Fund (1983-84-$50,000)
- Disk Drive

Bond Fund (1983-84-$52,700)
- Disk Drive

Bond Fund (1983-84-$82,700)
- Disk Drive

Bond Fund (1983-84-$57,600)
- Disk Drive

Bond Fund (1983-84-$82,300)
- Disk Drive

Bond Fund (1983-84-$65,000)
- Disk Drive

Bond Fund (1983-84-$65,000)
- Disk Drive

Bond Fund (1983-84-$65,000)
- Disk Drive

Bond Fund (1983-84-$116,000)
- Processor-Mainframe

Bond Fund (1983-84-$2,770,600)
- Disk Controller

Bond Fund (1983-84-$100,000)
- Disk Drive

Bond Fund (1983-84-$116,000)
- Disk Drive

Bond Fund (1983-84-$84,200)
- Disk Drive

Bond Fund (1983-84-$84,200)
- Disk Controller

Bond Fund (1983-84-$100,000)
- Disk Drive

Bond Fund (1983-84-$116,000)
- Disk Drive

Bond Fund (1983-84-$84,200)
- Disk Drive

Bond Fund (1983-84-$116,000)
- Disk Controller

Bond Fund - Disk Controller	100,000	-0-

Bond Fund - Disk Controller	100,000	-0-
Bond Fund - Disk Controller	100,000	-0-
Bond Fund - Disk Controller	100,000	-0-
Bond Fund - Disk Drive	-0-	100,000
Bond Fund - Disk Drive	100,000	-0-
Bond Fund - Disk Drive	100,000	-0-
Bond Fund - Disk Drive	100,000	-0-
Bond Fund - Disk Drive	100,000	-0-
Bond Fund - Disk Drive	100,000	-0-
Bond Fund - Disk Drive	100,000	-0-
Bond Fund - Disk Drive	100,000	-0-
Bond Fund - Disk Drive	100,000	-0-
Bond Fund - Disk Drive	-0-	100,000
Bond Fund - Disk Drive	80,000	-0-
Bond Fund - Disk Drive	80,000	-0-
Bond Fund - Disk Drive	80,000	-0-
Bond Fund - Disk Drive	80,000	-0-
Bond Fund - Disk Drive	80,000	-0-
Bond Fund - Disk Drive	80,000	-0-
Bond Fund - Disk Drive	80,000	-0-
Bond Fund - Disk Drive	80,000	-0-
Bond Fund - Disk Drive	80,000	-0-
Bond Fund - Disk Drive	80,000	-0-
Bond Fund - Disk Drive	80,000	-0-
Bond Fund - Disk Drive	80,000	-0-
Bond Fund - Disk Drive	80,000	-0-
Bond Fund - Disk Drive	80,000	-0-
Bond Fund - Disk Drive	-0-	80,000
Bond Fund - Disk Drive	-0-	80,000
Bond Fund - Disk Drive	80,000	-0-
Bond Fund - Disk Drive	80,000	-0-

Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Drive		
Bond Fund	80,000	-0-
- Disk Controller Upgrade		
Bond Fund	-0-	55,000
- Disk Controller Upgrade		
Bond Fund	-0-	55,000
- Disk Drive Upgrade		
Bond Fund	-0-	50,000
- Disk Drive Upgrade		
Bond Fund	-0-	50,000
- Disk Drive Upgrade		
Bond Fund	-0-	50,000
- Disk Drive Upgrade		
Bond Fund	-0-	50,000
- Disk Drive Upgrade		
Bond Fund	-0-	50,000
- Disk Drive Upgrade		
Bond Fund	-0-	50,000
- Disk Drive Upgrade		
Bond Fund	-0-	50,000
- Disk Drive Upgrade		
Bond Fund	-0-	50,000
- High Speed Printer		
Bond Fund (1983-84-$420,000)		
- Memory Upgrade		
Bond Fund	190,000	-0-
- Paging System Upgrade		
Bond Fund	110,000	-0-
- Additional Paging Subsystem		
Bond Fund	200,000	-0-
- Additional Paging Subsystem		
Bond Fund	200,000	-0-
- Power Convertor Module		
Bond Fund	179,000	-0-
- Cache Disk Controller		
Bond Fund	255,000	-0-
- Cache Disk Controller		
Bond Fund	255,000	-0-
- Cache Disk Controller		
Bond Fund	255,000	-0-
- Cache Disk Controller		
Bond Fund	-0-	255,000
- Hybrid Distributed System-Processor		
Bond Fund	630,000	-0-
- Hybrid Distributed System-Processor		
Bond Fund	630,000	-0-
- Hybrid Distributed System-Processor		
Bond Fund	-0-	633,000

- Hybrid Distributed System-Processor Bond Fund	-0-	633,000
- Hybrid Distributed System-Disk Controller Bond Fund	100,000	-0-
- Hybrid Distributed System-Disk Controller Bond Fund	100,000	-0-
- Hybrid Distributed System-Disk Drive Bond Fund	80,000	-0-
- Hybrid Distributed System-Disk Drive Bond Fund	80,000	-0-
- Hybrid Distributed System-Disk Drive Bond Fund	100,000	-0-
- Hybrid Distributed System-Communications Controller Bond Fund	109,000	-0-
- 3800 Printing Subsystem Upgrade Bond Fund	159,000	-0-
- Optical Disk Controller Bond Fund	75,000	-0-
- Optical Disk Drive Bond Fund	140,000	-0-
- Optical Disk Drive Bond Fund	140,000	-0-
- Optical Disk Drive Bond Fund	140,000	-0-
- Optical Disk Drive Bond Fund	140,000	-0-
- Optical Disk Drive Bond Fund	140,000	-0-
- Optical Disk Drive Bond Fund	140,000	-0-
- Tape Drive Controller Bond Fund	-0-	60,000
- Tape Drive Controller Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000
- Tape Drive Bond Fund	-0-	60,000
- Tape Drive		

Bond Fund	-0-	60,000
- Tape Drive		
Bond Fund	-0-	60,000
- Tape Drive		
Bond Fund	-0-	60,000
- Tape Drive		
Bond Fund	-0-	60,000
- Tape Drive		
Bond Fund	-0-	60,000
- Tape Drive		
Bond Fund	-0-	60,000
- Tape Drive		
Bond Fund	-0-	60,000
- Tape Drive		
Bond Fund	-0-	60,000
- Telecommunications Controller Subsystem		
Bond Fund	291,000	-0-
- Telecommunications Controller Subsystem		
Bond Fund	291,000	-0-
- Upgrade Computer Processor Complex		
Bond Fund	4,087,637	376,363
- Optical Scanner		
Bond Fund	90,000	-0-
- Optical Scanner		
Bond Fund	-0-	90,000
- Shared Logic Processor		
Bond Fund	55,000	-0-
- Shared Logic Processor		
Bond Fund	55,000	-0-
- Shared Logic Processor		
Bond Fund	55,000	-0-
- Shared Logic Processor		
Bond Fund	55,000	-0-
- Shared Logic Processor		
Bond Fund	55,000	-0-
- Shared Logic Processor		
Bond Fund	55,000	-0-
- Shared Logic Processor		
Bond Fund	55,000	-0-
- Shared Logic Processor		
Bond Fund	55,000	-0-
- Shared Logic Processor		
Bond Fund	55,000	-0-
- Shared Logic Processor		
Bond Fund	55,000	-0-
- Distributed System-Disk Drive		
Bond Fund	100,000	-0-
- Distributed System-		

Disk Drive		
Bond Fund	80,000	-0-
- Distributed System- Disk Drive		
Bond Fund	80,000	-0-
- Distributed System- Communications Controller		
Bond Fund	109,000	-0-
- Distributed System- Disk Controller		
Bond Fund		100,000
- Distributed System- Disk Drive		
Bond Fund		100,000
- Distributed System- Disk Drive		
Bond Fund		80,000
- Distributed System- Disk Drive		
Bond Fund		80,000
- Distributed System- Disk Controller		
Bond Fund		100,000
- Distributed System- Disk Drive		
Bond Fund		100,000
- Distributed System- Disk Drive		
Bond Fund		80,000
- Distributed System- Disk Drive		
Bond Fund		80,000
- Distributed System- Communications Controller		
Bond Fund		109,000
- Distributed System- Communications Controller		
Bond Fund		109,000
- Office Automation Telecommunications Processor		
Bond Fund	55,000	-0-

F. HIGHER EDUCATION

For the major equipment purchases and capital construction projects displayed in this section as agency fund and Federal Fund supported projects, it is anticipated that the funds shall be transferred from the operating fund of each university at such time as funds are available and needed. The total project costs shown do not reflect additions to the operating fund appropriations.

1. Council on Higher Education		
a. Major Maintenance Fund		
Investment Income	1,500,000	1,000,000
2. Eastern Kentucky University		
a. Minor Projects		
Agency Fund	934,000	953,000
b. Microscopic System		
Agency Fund	85,000	
c. Geophysical System		

Agency Fund	65,000	
d. Gas Chromatograph/ Mass Spectrometer		
Agency Fund	85,000	
e. Thermal Analyzer		
Agency Fund		65,000
f. Computer Numerical Control Tuning Center		
Agency Fund	86,000	85,000
g. Energy Management System		
Agency Fund	500,000	
h. 2 Buses		
Agency Fund	175,000	175,000
i. Office Systems and Word Processing		
Agency Fund		250,000
j. Technovate Pneumatic Unit		
Agency Fund		63,000
k. Academic Computer Expansion		
Agency Fund	461,000	300,000
l. Library System		
Agency Fund		500,000
3. Kentucky State University		
a. Listening Laboratory		
Agency Fund	80,000	
b. Atwood Hall		
Agency Fund	4,500,000	
c. Mini-computer System		
Agency Fund	250,000	250,000

The following projects are a part of the Higher Education Desegregation Plan to enhance the physical facilities of Kentucky State University. Bond funds in the amount of $10,850,000 are hereby authorized for projects selected from this approved list. The additional projects enumerated are hereby authorized to be transferred from agency funds at such time as funds are available and needed. Projects identified here from the desegregation plan may be financed from either bond funds or agency funds upon determination by Kentucky State University, and the approval of the Council on Higher Education and the Secretary of the Finance and Administration Cabinet, the provisions of KRS 45.750-45.800. Projects funded from this bond issue shall be submitted to the Capital Construction and Equipment Purchase Oversight Committee for review under the provisions of KRS 45.750-45.800.

d. Hume Hall Renovation	
Bond Fund (1983-84-$1,800,000)	
e. Minor Renovations	
Bond Fund (1983-84-$200,000)	
f. Combs Hall Renovation	1,000,000
g. Completion of Utilities Tunnel	4,500,000
h. Carver Hall Renovation	2,000,000
i. Bell Gymnasium Renovation	800,000
j. Roads, Walkways, and Landscaping	750,000
k. Hathaway Hall Renovation-Interior and Exterior Painting	80,000
l. Minor Renovations - Academic Facilities	108,000
m. Young Hall Renovations	2,605,100
n. Bradford Hall Renovation	230,000

o. Blazer Library and Annex Renovation	700,000	
p. Roads and Walkways - Hathaway Hall to Bell Gymnasium	125,000	
q. Conversion of Old Heating Plant to Welding Shop	225,000	
r. Health Center HVAC Upgrade	75,000	
s. Minor Renovations	215,000	
4. Morehead State University		
a. Industrial Robotics		
Agency Fund	75,000	
b. Environmental Control System		
Agency Fund	75,000	
c. Studio TV Camera		
Agency Fund	55,000	
d. Video Tape Recorder		
Agency Fund		66,000
e. Dishwasher		
Agency Fund	65,000	
f. Prime 950 System		
Agency Fund (1983-84-$521,900)		
g. Computer Lease/Purchase		
Agency Fund	85,000	85,000
h. CAD System		
Agency Fund		60,000
i. Mays Hall Men's Dormitory		
Agency Fund		1,366,000
j. Fields Hall Women's Dormitory		
Agency Fund	1,884,000	593,000
5. Murray State University		
a. Central Pedestrian Walk-Phase II		
Agency Fund (1983-84-$264,000)		
b. Boy Scout Museum Renovations		
Agency Fund	300,000	
c. IBM 4341 Upgrade		
Agency Fund	190,000	
d. Renovation of Space-Technology Programs		
Agency Fund	2,055,000	1,000,000
6. Northern Kentucky University		
a. Parking Structure		
Bond Fund	2,900,000	
b. Master Plan Update		
Agency Fund	92,000	
c. University College Renovation		
Agency Fund	375,000	
d. Central Monitoring System Expansion		
Agency Fund	225,000	

e. Information Word Processing		
Agency Fund	350,000	
f. Heidelberg Offset Press		
Agency Fund	72,000	
g. Compugraphic Typesetting		
Agency Fund	60,000	
h. Telecommunications Upgrade		
Agency Fund	550,000	
i. Corten Steel Roof Repairs - Library, Landrum Hall, Fine Arts Building, University Center, and Science Building		
Agency Fund	188,000	
j. Compliance with Elevator Codes - Nunn Hall Science Building, and Library		
Agency Fund	70,000	
k. University Center Roof Replacement		
Agency Fund		168,000
l. Campus Roadway Development		
Agency Fund	294,300	
m. Parking Lot/Roadway Lighting		
Agency Fund		315,000
n. Recreation Facility Renovation		
Agency Fund		406,000
o. Bus		
Agency Fund	130,000	
p. Xerox 9500 VR		
Agency Fund	125,000	
q. Carpet Replacement - Science Building		
Agency Fund		76,000
r. Maintenance Building - Roof Repair		
Agency Fund		20,000
7. University of Kentucky		
- Hospital Expansion - Phase I		
Agency Fund	1,000,000	1,275,000
- Aquatics Center		
Agency Fund	5,000,000	
- Dog Runs - Spindletop Farm Conditioning Facility		
Agency Fund	200,000	
- Animal Care Facility		
Agency Fund		2,240,000
- Self-Care Facility		
Bond Fund		4,000,000
Agency Fund		*3,692,000*
TOTAL		7,692,000
- Road and Site Improvements		
Agency Fund	500,000	1,840,000

- Waterproof Stadium Agency Fund	1,200,000	
- Medical Center HVAC Upgrading Agency Fund		350,000
- Clinic Support Unit I Renovation Agency Fund	250,000	
- Parking Structure #3 Expansion Agency Fund		
- Renovation of Old Pharmacy Building Agency Fund		925,000
- Medical Sciences Research Labs Agency Fund		262,000
- Jefferson Community College Property Acquisition Agency Fund (1983-84 - $950,000)		
- Elizabethtown Community College Parking Lot and Lighting Agency Fund	290,000	
- Ashland Community College Parking Lot and Lighting Agency Fund	275,000	
- Paducah Science Lab Renovation Agency Fund	250,000	
- Renovation of Hood Exhaust System - Research Building #3 Agency Fund	500,000	
- Clinical Lab Mass Spectrometer Agency Fund	110,000	
- Hospital Administration Computer Agency Fund	1,200,000	
- Television Tape Recorders Agency Fund	187,000	
- Word Processing System Agency Fund	110,000	
- Chancellor Mini- computer Agency Fund	195,000	
- Dentistry Mini- computer Agency Fund	150,000	
- Diagnostic Radiology Fluroscope Agency Fund	90,000	
- Agriculture Controlled Environment Agency Fund	50,000	
- Diagnostic Radiology		

Tomography		
Generator/Transformer		
Agency Fund	69,000	
- Diagnostic Radiology		
Fluroscopy		
C-Arm Unit		
Agency Fund	80,000	
- Clinical Lab		
Coulter S Plus		
Agency Fund	80,000	
- Bechman Edman Sequencer		
Agency Fund	86,000	
- Computerized ECG		
Equipment		
Agency Fund	250,000	
- Medical Records		
Mini-computer		
Agency Fund	200,000	
- Ag HP Model 64 Computer		
Agency Fund		225,000
- Library Communications		
System		
Agency Fund		100,000
- Geology Logitech		
Automatic Thin		
Section Cutting		
Machine		
Agency Fund	50,000	
- Instructional Resources		
Remote Television		
Agency Fund		125,000
- Diagnostic Radiology		
Chest		
Digital Substraction		
Angiography		
Agency Fund	400,000	
- Radiation Medicine		
Unit		
Agency Fund	550,000	
- Nuclear Medicine		
Camera Replacement		
Agency Fund	150,000	
- Radiation Medicine		
Superficial Unit		
Agency Fund	80,000	
- Nuclear Magnetic		
Resonance Equipment		
Agency Fund	600,000	
- Coal Front Loader		
Agency Fund	100,000	
- Documail Sorting		
System		
Agency Fund	120,000	
- Controlled Environment		
Room Equipment		
Agency Fund	50,000	50,000
- Diagnostic Radiology		
Urographic Unit		
Replacement		
Agency Fund	150,000	
- Plasma Emission		
Spectrograph		

Agency Fund	75,000	
- Thermovision System		
Agency Fund		60,000
- Liquid Chromatograph		
Federal Fund		50,000
Agency Fund		*100,000*
TOTAL		150,000
- Fine Arts Sound System		
Agency Fund	75,000	
- High Speed Duplicator		
Agency Fund	57,300	
- Gradient High Performance Liquid Chromatograph		
Agency Fund	51,000	
- Perfecting Print Press		
Agency Fund	60,000	
- THRI Scanning Electron Microscope		
Agency Fund		
- High Pressure Liquid Chromatography		
Federal Fund	26,500	
Agency Fund	*26,500*	
TOTAL	53,000	
- Backhoe		
Agency Fund	65,000	
- Metallurgy Microstructure Image Analysis		
Agency Fund		50,000
- Pediatric Echocardiograph		
Agency Fund	85,000	
- THRI Image Analysis System		
Agency Fund	140,000	
- Stores Inventory System		
Agency Fund	66,000	
- Auxiliary Services Access Identification System		
Agency Fund	71,000	
- Student Records Mini-computer		
Agency Fund	200,000	
- Computer Science Graphics Laboratory		
Agency Fund	80,000	
- DEC PDP 11/34 Computer		
Agency Fund		
- Pharmacy Mini-computer		
Agency Fund	165,000	
- Patient Care Charge System		
Agency Fund	80,000	
- Energy Management		

System		
Agency Fund	375,000	735,000
- Order Entry System		
Agency Fund		500,000
- Clinical Analyzer		
Agency Fund		140,000
- Astra 4 Clinical Analyzer		
Agency Fund		60,000
- Clinical Lab Bactec 5 Unit		
Agency Fund		59,000
- Physics Vacuum Evaporator		
Agency Fund		51,000
- Digital Subtraction Agiology		
Agency Fund		740,000
- Medical Liquid Scintillation Counter		
Federal Fund		26,000
Agency Fund		*26,000*
TOTAL		52,000
- Laser Doppler Anaometer		
Agency Fund		160,000
- OBGYN Image Analysis System		
Agency Fund		165,000
- Chemistry FAB Ion Source		
Agency Fund		50,000
- 20-Ton Dump Truck		
Agency Fund		70,000
- Transmission Electron Microscope		
Agency Fund		75,000
- Biplane/Angiograph Replacement		
Agency Fund		580,000
- Medical Center Diet Conveyor Replacement		
Agency Fund		475,000
- Hypothermia Unit		
Agency Fund		250,000
- DNA Synthesizer		
Federal Fund		30,000
Agency Fund		*30,000*
TOTAL		60,000
Road Rater		
Agency Fund		60,000
- Acoustic Emission Monitor		
Agency Fund		50,000
- Prime CPU Upgrade		
Agency Fund (1983-84-$425,000)	425,000	
- Central System Upgrade		
Agency Fund		595,000
- Data Communications Network		

Agency Fund	300,000	300,000
- Community College Mini-computer		
Agency Fund	375,000	275,000
- CAD/CAM System		
Agency Fund	530,000	
- Library Auto Circulation		
Agency Fund		
- Engineering Research Computer		
Agency Fund	200,000	
- Disk Storage		
Agency Fund		120,000
- Agriculture Mini-Computer		
Agency Fund	225,000	
- Fire Safety Project-Funkhouser		
Agency Funds	190,000	
- Fire Safety Project-Medical Center Medical Science Wing		
Agency Fund	680,000	
- Fire Safety Project-Patterson Office Tower		
Agency Fund		1,775,000
- Central Heating Plant - Replace Metal Smoke Stacks		
Agency Fund	200,000	
- Medical Sciences Building - Replacement of 4 Elevators		
Agency Fund	500,000	
- Medical Sciences/ Dental Wing Replacement of Emergency Generator and Related Equipment		
Agency Fund		300,000
- Renovate Fume Hood System (Phase II)		
Agency Fund	300,000	
- Medical Center Sinage		
Agency Fund	250,000	
- Mining and Minerals Resources Building		
Bond Fund		
- Parking Structure #3 (Parking/ North Hospital)		
Bond Fund		
- McVey Hall Renovation		
Agency Fund		
- Journalism Building		

Renovation		
Agency Fund		
- Funkhouser Phase II Renovation		
Agency Fund		
8. University of Louisville		
a. Information Center		
Agency Fund	300,000	
b. IBM 4341 Additional Memory		
Agency Fund	100,000	170,000
c. Video Broadcast Instruction System		
Agency Fund	50,000	
d. Video Tape Recorder Replacement		
Agency Fund	110,000	
e. Telecommunications System		
Agency Fund	2,300,000	
f. Microcomputer Language System		
Agency Fund		250,000
g. TV Camera Replacements (4)		
Agency Fund		280,000
h. Academic Computer		
Agency Fund	1,560,000	
i. Speed School Graphics/ Mini-computer		
Agency Fund		150,000
j. Library System		
Agency Fund	410,000	
k. Graphics System		
Agency Fund		50,000
l. Speed School Computer		
Agency Fund		350,000
m. Disk Storage		
Agency Fund		120,000
n. Programming Language System		250,000
o. DEC P11/23 Support Hardware		
Agency Fund		80,000
p. Campus North Entrance Improvements		
Agency Fund	500,000	
q. Myers Hall		
Agency Fund	400,000	
r. Systems Building		
Agency Fund	430,000	
s. Schneidier Hall		
Agency Fund	500,000	
t. K, C, and G Buildings (Old General Hospital)		
Agency Fund	200,000	
u. Natural Science Building Renovation		
Bond Fund	320,000	
u. Speed School Renovation		
Agency Fund	500,000	
v. Stoddard - Johnson Building		
Agency Fund	350,000	

9. Western Kentucky University		
a. Garbage Truck		
Agency Fund	70,000	
b. Spectrometer		
Agency Fund	102,000	
c. TV Satellite Uplink		
Agency Fund		140,000
d. GC/Mass Spectrometer		
Agency Fund		100,000
e. Electron Microscope		
Agency Fund		100,000
f. Deferred Maintenance Projects		
Agency Fund	278,000	285,000
g. Interactive Computer		
Agency Fund	200,000	
h. Optical Character Reader		
Agency Fund		75,000
i. Utility Distribution and HVAC Systems, Initiate Repair and Replacement of Underground Services		
Agency Fund	100,000	

G. DEPARTMENT FOR HUMAN RESOURCES

1. Department for Health Services		
a. Miscellaneous Projects		
Investment Income	200,000	200,000
b. Central State Hospital Replacement Facility		
Bond Fund (1983-84-$3,426,000)		
2. Department for Social Services		
a. Miscellaneous Projects		
Investment Income	125,000	125,000
b. Lake Cumberland Boys Camp-Renovation of Dormitory and Restroom Facilities		
Investment Income		270,000
c. Juvenile Code Renovation		
General Fund		
3. Executive Policy Support		
a. Miscellaneous Projects		
Investment Income	250,000	250,000

H. JUSTICE

1. State Police		
a. Vehicles	590,000	100,000

I. MILITARY AFFAIRS

1. Major Maintenance and Repairs		
Investment Income	750,000	750,000
Federal Fund	*26,400*	*26,500*
TOTAL	776,400	776,500
2. Sikorsky S-76 Lease/Rental		
Investment Income	394,800	394,800
3. Jackson Armory		

Investment Income		
Federal Fund		
4. Hazard Armory		
Investment Income	100,000	
5. Ashland Organizational Maintenance Shop		
Investment Income	27,000	
Federal Fund	*112,100*	
TOTAL	139,100	
6. Maintenance of Helicopters		
Investment Income	65,000	35,000

J. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

1. State-Owned Dam Repair		
Investment Income		

The above appropriation shall not be used to repair dams owned by the Department of Fish and Wildlife Resources.

2. Kentucky Abandoned Lands-Reclamation Program		
Federal Fund	35,000,000	40,000,000

K. TOURISM

For the major equipment purchases and capital construction projects displayed in this section as agency fund and federal fund supported projects, it is anticipated that the funds shall be transferred from the operating fund at such time as funds are available and needed. The total project costs shown do not reflect additions to the operating fund appropriations.

1. Parks		
a. Miscellaneous Major Maintenance		
Investment Income	3,000,000	3,000,000
2. Kentucky Horse Park		
a. Miscellaneous Major Maintenance		
Investment Income	150,000	150,000
3. Fish and Wildlife Resources		
a. Land Acquisition		
Federal Fund	1,800,000	1,575,000
Agency Fund	*600,000*	*525,000*
TOTAL	2,400,000	2,100,000
b. Dam Maintenance		
Agency Fund	400,000	1,500,000
c. Guist Creek Dam Repair		
Agency Fund	900,000	
d. Road Grader		
Federal Fund		75,000
Agency Fund		*25,000*
TOTAL		100,000
e. Bulldozer		
Federal Fund	105,000	
Agency Fund	*35,000*	
TOTAL	140,000	
4. State Fair Board		
a. Major Maintenance, Renovation, and Repair Projects under $200,000		
Agency Fund	500,000	750,000
b. Waterproof Stadium,		

Coliseum, and East and West Wings	
Agency Fund	250,000
c. Roof Coating for Coliseum and East and West Wings	
Bond Fund	750,000
d. Boom Truck	
Agency Fund	75,000

L. TRANSPORTATION

For the capital construction projects displayed in this section as Road Fund supported projects, it is anticipated that the funds shall be transferred from the operating fund at such time as funds are available and needed. The total project costs shown do not reflect additions to the operating fund appropriations.

1. Various Projects		
Road Fund	150,000	450,000
2. Woodford County Maintenance Facility		
Road Fund	300,000	

In the event that any authorized capital construction and/or equipment purchase projects are cancelled it is the intent of the General Assembly that any appropriated debt service for those same projects shall remain unallotted and lapse to the credit of the General Fund. Those projects set forth under the sub-heading "higher education" are subject to the action and approval of the Council on Higher Education and subject to approval of the Finance and Administration Cabinet. The provisions of KRS 45.750 through 45.990 notwithstanding, it is the intent of the General Assembly that capital construction projects at institution of higher education involving no state or federal funds, may be authorized between Regular Sessions of the General Assembly, providing that such projects receive prior approval from both the Council on Higher Education and the Secretary of the Finance and Administration Cabinet, and that the Capital Construction and Equipment Purchase Oversight Committee receives prior notification.

Notwithstanding the provisions of KRS 45.770, the Capital Construction and Equipment Purchase Contingency Fund may be used to advance funds to projects authorized to be financed by bonds and may be used to finance feasibility studies for projects which may be contemplated for future funding. Roof repair or replacement projects shall be eligible for Emergency Repair, Maintenance, and Replacement Fund allotments, subject to the provisions of KRS 45.780.

Included in the above appropriation is an Economic Development bond authorization of $25 million for fiscal year 1985-86. Before any economic development bonds are issued, the proposed bond issue and the proposed project shall be approved by the Secretary of the Finance and Administration Cabinet and submitted to the Capital Construction and Equipment Purchase Oversight Subcommittee for review under the provisions of KRS 45.750-45.800.

Inasmuch as the identification of specific projects in a variety of areas of the State Government cannot be ascertained with absolute certainty at this time, it is the purpose and intent of the General Assembly, the provisions of KRS 45.750 through 45.990 notwithstanding, to appropriate amounts for specific purposes to projects which are not individually identified herein in the following areas: Repair of State-Owned Dams, Economic Development Projects, Handicapped Access, and Fire and Life Safety projects. Any such projects estimated to cost over $200,000 and equipment estimated to cost over $50,000 shall be reported to the Capital Construction and Equipment Purchase Oversight Subcommittee.

All monies transferred to the Finance and Administration Cabinet for capital construction from any appropriations, including income from investments, shall be expended, accounted for, and otherwise treated in the same manner as funds appropriated directly to the Finance and Administration Cabinet for capital construction.

PART VI
GENERAL PROVISIONS

1. Except as otherwise explicitly authorized by this Act, nothing in this Act shall be construed to repeal any appropriation made hereinbefore or hereinafter for the fiscal year ending June 30, 1984, and nothing in this Act is to be construed as amending or altering the provisions of Chapters 42, 45, and 48 of the Kentucky Revised Statutes pertaining to the duties and powers of the Secretary of the Finance and Administration Cabinet. All questions that arise in interpreting any appropriation in this Act as to the purpose or manner for which such appropriation may be expended shall be decided by the Secretary of the Finance and Administration Cabinet in pursuant to KRS 48.500 and the decision of the Secretary of the Finance and Administration Cabinet shall be final and conclusive.

2. In enacting this Appropriation Act, it is the deliberate intention of the General Assembly to enact each section, and each subsection thereof as a separate and/or specific appropriation and law, and if any section, any subsection, or any provision thereof shall be held invalid or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions contained herein.

3. The Secretary of the Finance and Administration Cabinet is authorized to establish a system or formula or a combination of both for pro-rating the administrative costs of the Finance and Administration Cabinet, and the Departments of Treasury and Law relative to the administration of programs in which there is joint participation by the State and Federal Governments for the purpose of receiving the maximum amount of participation permitted under the appropriate Federal laws and regulations governing such programs.

4. All continuing appropriations in existence at the time this Act takes effect are discontinued and repealed by this Act except as provided by Chapters 12, 42, 56, 152, 177 and 341 of the Kentucky Revised Statutes. All laws and portions of laws in conflict with any of the provisions of this Section, to the extent of such conflict, are hereby repealed.

5. No state agency, cabinet, department, office, or program shall incur any obligation against the General Fund appropriations contained herein unless such obligation may be reasonably determined to have been contemplated in the enacted budget and is supported by appropriate work papers and other records pertaining thereto.

6. Any General Fund appropriation made herein in anticipation of a lack, loss, or reduction of Federal grants shall lapse to the General Fund to the extent such Federal Funds otherwise become available.

7. The Secretary of the Finance and Administration Cabinet shall cause the Governor's Office for Policy and Management, within forty-five days upon adjournment of the 1984 General Assembly, to prepare a final budget document based upon the Executive Budget proposal as enacted by the 1984 General Assembly as well as other acts which provide appropriations for the 1984-86 biennium and based upon supporting documentation and legislative records as considered by the 1984 General Assembly. This document shall include for each agency and budget unit a consolidated budget summary statement of available regular and continuing appropriated revenue by fund source, corresponding appropriation allocations by program or subprogram as appropriate, budget expenditures by principal budget class and such other fiscal data and commentary considered necessary by the Governor's Office for Policy and Management for budget execution and oversight. The enacted budget document and any adjustments thereto approved by the Governor's Office for Policy and Management and any supporting documents shall be communicated to the Interim Joint Committee on Appropriations and Revenue on a regular basis.

8. In the event that any authorized capital construction and/or equipment purchase projects are cancelled it is the intent of the General Assembly that any appropriated General Fund debt service for those same projects shall remain unallotted and lapse to the credit of the General Fund.

9. It is the intent of the General Assembly that the Secretary of the Transportation Cabinet shall use Road Fund resources to meet the lease rental payments to the Kentucky Turnpike Authority for Resource Recovery Road projects in the amount certified by the Secretary of the Transportation Cabinet. However, in the event that Road Fund resources are not sufficient to meet lease rental payments, the additional amount required for meeting lease rental payments as certified by the Secretary of the Transportation Cabinet under KRS 143.090 shall be transferred from coal severance tax receipts to cover the obligation.

10. The General Assembly recognizes that during fiscal year 1982-83 and fiscal year 1983-84, the General Fund revenues of the Commonwealth were less than the estimates upon which appropriations for those fiscal years were made by Part I, Chapter 398, of the 1982 Acts of the General Assembly. The General Assembly acknowledges that as a result of shortfalls in the revenues during the biennium for which funds were appropriated by the 1982 General Assembly the Secretary of Finance as directed by Paragraph 8, Part VI, Chapter 398, of the 1982 Acts of the General Assembly took action to prevent an overdraft or deficit in the finances of the Commonwealth through the reduction of appropriations made by PART I, Chapter 398, of the 1982 Acts of the General Assembly, and by various other actions, all as set forth in and provided by Orders 83-325 and 84-160 of the Secretary of Finance and Administration, which Orders are permanent records of the Commonwealth, on file in the Governor's Office for Policy and Management.

It is the intent of the General Assembly herein to ratify and confirm the appropriation levels appearing in Orders 83-325 and 84-160 of the Secretary of the Finance and Administration as the General Fund appropriations for fiscal year 1982-83 and fiscal year 1983-84, respectively, for the offices, boards, commissions, institutions, subdivisions and agencies of the Government of the Commonwealth of Kentucky, except so much thereof as relates to the appropriation to the Local Government Economic Assistance Fund for fiscal year 1983-84, which sum shall be determined as provided by KRS 45.450; it is the further intent of the General Assembly herein, the provisions of any other law of the Commonwealth to the contrary notwithstanding, to ratify and confirm the advances, transfers and lapsing to the General Fund of all non-General Fund monies as identified in said Orders 83-325 and 84-160 of the Secretary of the Finance and Administration, and to that end, the General Assembly hereby expressly ratifies, adopts, and enacts the appropriation levels contained in said Orders 83-325 and 84-160, including those provided for the Foundation Program as set forth and contained in KRS Chapters 157 and 157A and in Chapter 398 of the 1982 Acts of the General Assembly, as the appropriations for the offices, boards, commissions, institutions, subdivisions, and agencies of the Government of the Commonwealth for fiscal year 1982-83 and fiscal year 1983-84, and to the extent in conflict therewith the appropriation levels set forth in Part I, Chapter 398 of the 1982 Acts of the General Assembly shall be read as conforming to the levels of appropriation hereby enacted.

11. A Surplus Reserve Trust Fund is hereby established. In the event General Fund tax receipts exceed the official estimates in fiscal year 1984-85 and/or in fiscal year 1985-86 by an amount not greater than two and one-half percent (2.5 percent) of the estimate, the Surplus Reserve Trust Fund shall be appropriated 97.0 percent of the General Fund excess amount in fiscal year 1984-85, and shall be appropriated 97.1 percent of the General Fund excess amount in fiscal year 1985-86.

The Surplus Reserve Trust Fund shall be used in the event actual General Fund receipts during the 1984-85 fiscal year or the 1985-86 fiscal year are not sufficient to meet the General Fund appropriation levels authorized in this Act.

12. Pursuant to KRS 48.130, there is hereby established a budget reduction plan for the branches of state government for fiscal year 1984-85 and fiscal year 1985-86. This plan shall be for reduction in the respective budget recommendations for the various branch agencies of state government when projected tax receipts accruing to the General Fund and/or the Road Fund are at least 2 1/2 percent but not more than 5 percent less than the revenue estimates for these funds as determined by the official revenue estimate of the Secretary of the Revenue Cabinet of January 19, 1984.

All appropriation units and areas of state government will be subject to the budget reduction plan. Monies in General Fund Surplus Account created by KRS 48.700 shall be applied toward revenue shortfall in the General Fund. Monies in the Road Fund Surplus Account created by KRS 48.710 shall be applied toward revenue shortfall in the Road Fund.

Floor Amendment No. 6 to **HB 474,** by Representative Dawahare:

Amend printed copy of Committee Substitute to **HB 474,** on page 34, line 23, by deleting the amount "6,022,900" and inserting in lieu thereof the amount "7,522,900";

line 24, by deleting the amount "6,032,000" and inserting in lieu thereof the amount "7,532,000";

on page 37, line 2, by deleting the amount "1,190,510,300" and inserting in lieu thereof the amount "1,192,010,300";

line 3, by deleting the amount "1,259,252,400" and inserting in lieu thereof the amount "1,260,752,400";

on page 57, line 23, by deleting the amount "2,411,738,800" and inserting in lieu thereof the amount "2,413,238,800"; and

line 24, by deleting the amount "2,553,777,100" and inserting in lieu thereof the amount "2,555,277,100".

Floor Amendment No. 7 to **HB 474,** by Representative Dawahare:

Amend printed copy of Committee Substitute to **HB 474,** on page 34, line 23, by deleting the amount "6,022,900" and inserting in lieu thereof the amount "6,237,900";

line 24, by deleting the amount "6,032,000" and inserting in lieu thereof the amount "6,247,000";

on page 35, line 4, after the period (.) by inserting the following:

"Included in the appropriation is $215,000 in fiscal year 1984-85 and $215,000 in fiscal year 1985-86 for debt service on bonds and bond anticipation notes issued or authorized by the Authority in favor of the Letcher County School System.";

on page 37, line 2, by deleting the amount "1,190,510,300" and inserting in lieu thereof the amount "1,190,725,300";

line 3, by deleting the amount "1,259,252,400" and inserting in lieu thereof the amount "1,259,467,400";

on page 57, line 23, by deleting the amount "2,411,738,800" and inserting in lieu thereof the amount "2,411,953,800"; and

line 24, by deleting the amount "2,553,777,100" and inserting in lieu thereof the amount "2,553,992,100".

Floor Amendment No. 8 to **HB 474,** by Representative Priddy:

Amend printed copy of Committee Substitute to **HB 474,** on page 154, after line 26, by adding the following:

"13. Effective with the quarter beginning July 1, 1984, prior to the last day of the month following the end of each quarter, the Secretary of the Justice Cabinet shall provide to the General Assembly a report which shall include the following:

(a) Quarterly receipts to the Law Enforcement Foundation program Fund;

(b) Number of local units of government and police officers participating in the program during the quarter;

(c) Amount expended for administration of the fund during the quarter;

(d) Projected receipts to the fund for the next quarter; and

(e) Unexpended balance in the fund at the end of the quarter.

Floor Title Amendment to **HB 601,** by Representative Moore:

Amend printed copy of **HB 601,** on page 1, line "Title", by amending the title to read as follows: "AN ACT relating to coal mining."

Floor Amendment No. 2 to **HB 601,** by Representative Moore:

Amend printed copy of **HB 601,** on page 1, line 10, by inserting after the word "*permits.*" the following section:

"Section 2. KRS 352.470 is amended to read as follows:

(1) The correctness of each map provided for by KRS 352.450 or 352.460 shall be certified only by a professional civil or mining engineer registered in Kentucky, *except such maps may be prepared and signed by a licensed land surveyor for operations that involve only one (1) person.* KRS 322.340 requires that plats, etc. be stamped with their seal. The certification shall read as follows:

"I, the undersigned, hereby certify that this map is correct, shows to the best of my knowledge and belief all the information required by the mining laws of this state, and covers the period ending ...., ...
Certifying Agent

"Acknowledged before me, a ...., this .... day of ....."

....
....SEAL

(2) *Maps prepared by a licensed land surveyor shall be attested according to the provisions of KRS 322.400.*

(3) The commissioner may reject any map as incomplete if its accuracy is not [~~so~~] attested."

Floor Title Amendment No. 2 to **HB 688,** by Representative Williams:

Amend printed copy of **HB 688,** page 1, the title, to delete the words "the reporting of certain wounds" and insert in lieu thereof "crimes and punishments".

Floor Amendment No. 3 to **HB 688,** by Representative Williams:

Amend printed copy of **HB 688,** page 2, following line 1, to add the following sections:

Section 2. KRS 533.060 is amended to read as follows:

(1) When a person has been convicted of an offense or has entered a plea of guilty to an offense classified as a Class A, B, or C felony and the commission of such offense involved the use of a weapon from which a shot or projectile may be discharged that is readily capable of producing death or other serious physical injury, such person shall not be eligible for probation, shock probation or conditional discharge.

(2) When a person has been convicted of a felony and is committed to a correctional facility maintained by the [~~bureau of~~] corrections *cabinet* and released on parole or has been released by the court on probation, shock probation, or conditional discharge, and is convicted or enters a plea of guilty to a felony committed while on parole, probation, shock probation, or conditional discharge, such person shall not be eligible for probation, shock probation, or conditional discharge and the period of confinement for that felony shall not run concurrently with any other sentence.

(3) When a person commits an offense while awaiting trial for another offense, and is subsequently convicted or enters a plea of guilty to the offense committed while awaiting trial, the sentence imposed for the offense committed while awaiting trial shall not run concurrently with confinement for the offense for which said person is awaiting trial.

(4) When a person has been convicted of or has entered a plea of guilty to an offense classified as a felon, and a victim of the offense was sixty (60) years of age or over, such person shall not be eligible for probation, shock probation, or conditional discharge.

SECTION 3. A NEW SECTION OF KRS CHAPTER 439 IS CREATED TO READ AS FOLLOWS:

When a person has been convicted of or has entered a plea of guilty to an offense classified as a felony and the victim of the offense was sixty (60) years of age or over, such person shall not be eligible for parole until he has served one-third (1/3) of the sentence imposed for the offense.

Floor Amendment No. 1 to **HB 787**, by Representative Richards:

Amend printed copy of **HB 787**, on page 18, line 24, by inserting the following after "*161.155.*":

"*When the earnings on investments of the retired teacher savings exceeds the actuarial assumed rate of interest, the board of trustees may allocate such excess earnings toward the funding of the state's obligation to match the July 1, 1984 increase in the member rate of contribution during the 1984-86 biennium.*"

On page 44, lines 18, 20, 22, 23 and 24, by making the following changes:

Line 18, by deleting "*1984*" and removing brackets and strikethroughs around "1982" after July 1.

Line 20, by deleting "*1983*" and removing brackets and strikethroughs around "1981" immediately before the word "and".

Line 22, by deleting "*three percent (3%)*" and removing the brackets and strikethroughs around "one percent (1%)" before the word "of".

Lines 23 and 24, by removing the brackets and strikethroughs around "for each year the member has been retired up to a maximum of five (5) years".

On page 45, lines 2, 4, 6, 7, and 8, by making the followings:

Line 2, by deleting "*1985*" and removing brackets and strikethroughs around "1983" after July 1.

Line 4, by deleting "*1984*" and removing brackets and strikethroughs around "1982" immediately before the word "and".

Line 6, by deleting "three percent (3%)" and removing brackets and strikethroughs around "one percent (1%)" before the word "of".

Lines 7 and 8, by removing the brackets and strikethroughs around "for each year the member had been retired up to a maximum of five (5) years".

On page 45, lines 25 and 26, by making the following changes:

Line 25, by deleting the comma "," following "1980-82".

Line 26, by removing the brackets and strikethroughs around "and" and by deleting "*, and 1984-86*" following "1982-84".

On page 46, lines 6 and 7, by making the following changes:

Line 6, by deleting the word "*and*" following "1982-84".

Line 7, by deleting "*1984-86 bienniums*" and removing the brackets and strikethroughs around the word "biennium" immediately prior to the word "for".

Floor Title Amendment to **HB 861,** by Representative Meyer:

AMend printed copy of House Bill 861, on page 1, title, by deleting the words "and declaring an emergency".

Floor Amendment No. 1 to **HB 861,** by Representative Meyer:

Amend printed copy of **HB 861,** on page 15, line 22, after the words "Ludlow and the" by inserting "[~~precinct~~]"; and

On page 24, by deleting lines 10 through 14 in their entirety and inserting in lieu thereof the following:

"Section 2. This Act shall become effective January 1, 1985.".

Floor Amendment No. 2 to **HB 932,** by Representative Reinhardt:

Amend printed copy of **HB 932,** on page 1, before line 1, by inserting the following:

"Section 1. KRS 140.080 is amended to read as follows:

(1) The following exemptions chargeable against the *highest* [~~lowest~~] bracket or brackets of inheritable interests shall be free from any tax under the preceding provisions of this chapter:
(a) Surviving spouse, $50,000;
(b) 1. Infant child by blood or adoption, $20,000;
2. Child by blood who has been declared mentally disabled by a court of competent jurisdiction, $20,000; or a
3. Child adopted during infancy who has been declared mentally disabled by a court of competent jurisdiction, $20,000;
(c) 1. Parent, $5,000;
2. Child by blood, $5,000;
3. Stepchild, $5,000;
4. Child adopted during infancy, $5,000; or a
5. Grandchild who is the issue of a child by blood, or of a stepchild or of a child adopted during infancy, $5,000;
(d) All persons of Class B, under KRS 140.070, $1,000; and
(e) All persons of Class C, under KRS 140.070, $500.
(2) If the decedent was not a resident of this state, the exemption shall be the same proportion of the allowable exemption in the case of residents that the property taxable by this state bears to the whole property transferred by the decedent."

And by renumbering the remaining sections to conform.

Adjournment

Representative LeMaster moved that the House adjourn until 10:00 a.m., Friday, March 23, 1984.

On the roll call the vote was yeas 68-Allen, Arnold, Barrows, Blandford, Blevins, Burch, Caldwell, L. Clark, P. Clark, Cowan, Craddock, Crupper, Curd, Cyrus, Donnermeyer, Dunn, Ellington, Farrow, Ford, Foster, Freibert, Fryman, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, R. Jones, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, McBee, McElroy, McNutt, Moberly, Nett, Noe, Noland, O'Brien, Pearman, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 7-Dawahare, Endicott, Guenthner, Heleringer, T. Jones, Maggard, Perkins.

The motion to adjourn was adopted.

FRIDAY, MARCH 23, 1984

FIFTY-THIRD LEGISLATIVE DAY

The House was called to order by Speaker Richardson.

Prayer by Reverend John C. Kerce, First United Methodist Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present.

Representative Brinkley moved that the reading of the Journal of March 22, 1984, be dispensed with and the same approved. Agreed.

Senate Message

Announcing passage of **HB 263** with Senate Amendment, **HB 376** with Senate Amendment, and **HB 486** with Senate Committee Substitute.

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bills and Resolutions:

Banking and Insurance: **SB 315**.

Education: **SB 354**.

Judiciary-Civil: **SB 374**.

Judiciary-Criminal: **SB 47, SB 324**.

Report of Committees

The Committee on Rules reported **HB 479, HB 861, HCR 122, HR 126, SB 71, SB 83, SB 116, SB 153, SB 158, SB 163, SB 212, SB 262, SB 265, SB 285, SB 298, SB 300, SB 302, SB 317, SB 343, SCR 45, HB 957, HB 859, HB 947, SB 94, SB 134, SB 206, SB 314, SJR 46, SJR 47, SB 255, SB 41**, and **HB 924** have been posted for passage in Orders of the Day, March 26, 1984.

The Committee on Rules reported **SB 27** has been recommitted to the Committee on Appropriations and Revenue.

The Committee on Health and Welfare reported **SB 15** and **SB 199** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 15, AN ACT relating to guardianship and conservatorship for disabled persons.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 387.540 is amended to read as follows:

(1) Prior to a hearing on a petition for a determination of partial disability or disability and the appointment of a limited guardian, guardian, limited conservator, or conservator, an interdisciplinary evaluation report shall be filed with the court. The report shall be compiled by at least three (3) individuals, including a physician, a psychologist licensed or certified under the provisions of KRS Chapter 319, and a *person licensed or certified as a* social worker *or an employe of the cabinet for human resources who meets*

the qualifications of KRS 335.080(1)(a), (b) and (c) or KRS 335.090(1)(a), (b) and (c) [~~with a graduate degree in social work~~]. The social worker shall, whenever possible, be chosen from among employes of the Department for Human Resources residing or working in the area, and there shall be no additional compensation for their service on the interdisciplinary evaluation team.

(2) At least one (1) person participating in the compilation of the report shall have knowledge of the particular disability which the respondent is alleged to have or knowledge of the skills required of the respondent to care for himself and his estate.

(3) If the respondent is alleged to be partially disabled or disabled due to mental illness, at least one (1) person participating in the compilation of the interdisciplinary evaluation report shall be a qualified mental health professional as defined in KRS *202A.011(11)* [~~202A.010(10)~~]. If the respondent is alleged to be partially disabled or disabled due to mental retardation, at least one (1) person participating in the compilation of the evaluation report shall be a qualified mental retardation professional as defined in KRS 202B.010(3).

(4) The interdisciplinary evaluation report shall contain:

(a) A description of the nature and extent of the respondent's disabilities, if any;

(b) Current evaluations of the respondent's social, intellectual, physical, and educational condition, adaptive behavior, and social skills. Such evaluations may be based on prior evaluations not more than three (3) months old, except that evaluations of the respondent's intellectual condition may be based on individual intelligence test scores not more than one (1) year old;

(c) An opinion as to whether guardianship or conservatorship is needed, the type of guardianship or conservatorship needed, if any, and the reasons therefor;

(d) An opinion as to the length of time guardianship or conservatorship will be needed by the respondent, if at all, and the reasons therefor;

(e) If limited guardianship or conservatorship is recommended, a further recommendation as to the scope of the guardianship or conservatorship, specifying particularly the rights to be limited and the corresponding powers and duties of the limited guardian or limited conservator;

(f) A description of the social, educational, medical, and rehabilitative services currently being utilized by the respondent, if any;

(g) A determination whether alternatives to guardianship or conservatorship are available;

(h) A recommendation as to the most appropriate treatment or rehabilitation plan and living arrangement for the respondent and the reasons therefor;

(i) A listing of all medications the respondent is receiving, the dosage, and a description of the impact of the medication upon the respondent's mental and physical condition and behavior;

(j) *An opinion* [~~A determination~~] whether attending a hearing on a petition filed under KRS 387.530 would subject the respondent to serious risk of [~~physical~~] harm;

(k) The names and addresses of all individuals who examined or interviewed the respondent or otherwise participated in the evaluation; and

(l) Any dissenting opinions or other comments by the evaluators.

(5) The evaluation report may be compiled by a community mental health-mental retardation center, a licensed facility for mentally ill or developmentally disabled persons, if the respondent is a resident of such facility, or a similar agency.

(6) In all cases where the respondent is a resident of a licensed facility for mentally ill or developmentally disabled persons and the petition is filed by an employe of that facility, the petition shall be accompanied by an interdisciplinary evaluation report prepared by the facility.

(7) Except as provided in subsection (6), the court shall order appropriate evaluations to be performed by qualified persons or a qualified agency. The report shall be prepared and filed with the court and copies mailed to the attorneys for both parties at least *ten (10)* [~~twenty (20)~~] days prior to the hearing. All items specified in subsection (4) of this section shall be included in the report.

(8) The examiners shall be paid by the county in which the petition is filed upon an order of allowance entered by the court. Payment shall be in an amount which is reasonable as determined by the court, except no payment shall be required of the county for an evaluation performed by a salaried employe of a state agency for an evaluation performed within the course of his employment. Additionally, no payment shall be required of the county for an evaluation performed by a salaried employe of a community mental health-mental retardation center or private facility or agency where the costs incurred by the center, facility, or agency are reimbursable through third-party payors. Affidavits or other competent evidence are admissible to prove the services rendered but not to prove their value.

(9) The respondent may file a response to the evaluation report no later than five (5) days prior to the hearing.

(10) The respondent may secure an independent evaluation. If the respondent is unable to pay for such evaluation, compensation for the independent evaluation may be paid by the county in an amount which is reasonable as determined by the court.

Section 2. KRS 387.570 is amended to read as follows:

(1) At a hearing convened pursuant to KRS 387.500 to 387.770 for the purpose of determining the disability of a respondent, the respondent shall have a jury trial and shall have the right to present evidence and to confront and cross-examine all witnesses.

(2) The hearing may be closed to the public on request of the respondent or his counsel.

(3) The respondent shall be present at the hearing, and his presence may be waived only upon a determination of the *court* [~~interdisciplinary evaluation team~~] that his attendance would subject him to serious risk of [~~physical~~] harm. Such determination shall be evidence only of the respondent's [~~physical~~] inability to attend the hearing and shall not be considered in determining the need for guardianship or conservatorship.

(4) The court may remove itself to the place of residence of the respondent to conduct the hearing in the presence of the respondent.

(5) The burden of proof shall be on the Commonwealth to prove the disability or partial disability of the respondent by clear and convincing evidence.

(6) The respondent will not be determined partially disabled or disabled unless at least one (1) of the persons who participated in the interdisciplinary evaluation required by KRS 387.540 testifies in person at the hearing. This section shall not be interpreted to preclude the respondent from requiring the testimony of more than one (1) person participating in the preparation of the evaluation report.

Section 3. KRS 387.550 is amended to read as follows:

(1) If the petition is accompanied by an interdisciplinary evaluation report when filed, the court shall fix a date and a place for a hearing to be held within thirty (30) days after the filing of the petition. If no interdisciplinary evaluation report accompanies the petition when filed, the court shall fix a date and a place for a hearing to be held within sixty (60) days after the filing of the petition. *The time for a hearing may be extended by the court, on motion of either party, for cause.*

(2) Notice of the time and place of the hearing shall be given not less than fourteen (14) days prior to the hearing to the attorneys for both parties, all persons named in the petition, and the person proposed for appointment as limited guardian, guardian, limited conservator, or conservator.

Section 4. KRS 387.610 is amended to read as follows:

Prior to the expiration of a term of guardianship or conservatorship, the limited guardian, guardian, limited conservator, or conservator may petition, pursuant to KRS 387.620, for a renewal of his appointment for a period not to exceed five (5) years. The petition shall be accompanied by verified affidavits of a physician, a psychologist licensed or certified under the provisions of KRS Chapter 319, and a *person licensed or certified as a* social worker *or an employe of the cabinet for human resources who meets the qualifications of KRS 335.080(1)(a), (b) and (c) or KRS 335.090(1)(a), (b) and (c)* [~~with a graduate degree in social work~~] supporting the need for the continuation of the guardianship or conservatorship.

Section 5. KRS 387.620 is amended to read as follows:

(1) A partially disabled or disabled person, his limited guardian, guardian, limited conservator, or conservator, or any other interested person may petition the court for:

(a) Termination or modification of an order of partial disability or disability;

(b) Removal and/or replacement of a limited guardian, guardian, limited conservator or conservator; or

(c) Renewal of the appointment of a limited guardian, guardian, limited conservator, or conservator.

(2) Petitions pursuant to this section shall set forth:

(a) The name and address of the ward;

(b) The name and address of the limited guardian, guardian, limited conservator, or conservator;

(c) The name, address, and interest of the petitioner;

(d) The names and addresses of the ward's next of kin, if known;

(e) The name and address of the individual or facility, if any, having custody of the ward;

(f) The relief requested; and

(g) The facts and reasons supporting the request.

(3) A request under subsection (1) of this section, if made by the ward, may be communicated to the court by any means, including but not limited to oral communication or informal letter. If such a request is communicated by means other than a petition, the court shall appoint a suitable person who may, but need not be, an employe of the state, county, or court to prepare a written petition to be filed with the court within seven (7) days following the appointment.

(4) Within thirty (30) days after the filing of a petition, the court shall conduct a hearing at which the ward shall be entitled to counsel. *The time for a hearing may be extended by the court, on motion of either party, for cause.* Notice of the time and place of the hearing shall be given not less than fourteen (14) days prior to the hearing to both parties and all persons named in the petition.

(5) At the request of any party or on its own initiative, the court may order an interdisciplinary evaluation of the ward. The time period in which the court must review a petition may be extended for an appropriate period of time if such an evaluation is ordered by the court.

(6) Upon conclusion of the hearing, the court shall enter a written order setting forth the factual basis for its finding and may do any of the following:

(a) Dismiss the petition;

(b) Remove the guardian or conservator and dissolve the guardianship or conservatorship order;

(c) Remove the limited guardian, guardian, limited conservator, or conservator and appoint a successor;

(d) Modify the original guardianship or conservatorship order; or

(e) Make any other order which the court deems appropriate and in the best interest of the ward.

(7) If the original order is dissolved and no further order is issued, the ward shall be relieved of all legal disabilities. The court shall enter an order and judgment restoring to the person all of the rights and privileges of a citizen. The clerk shall note such judgment or modification in the book in which notices of actions and encumbrances are indexed.

(8) The clerk of the court shall transmit a certified copy of the restoration judgment or modification to the originating court, if the judgment or modification is ordered by a court other than the court in which the original judgment was entered.

SB 199, AN ACT relating to adoption.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 199.011 is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Secretary" means the secretary for human resources.

(2) "Department" means the department for human resources.

(3) "Bureau" means the bureau for social services.

(4) "Child" means any person who has not reached his eighteenth birthday.

(5) "Dependent child" means any child who is under improper care, control, or guardianship that is not due to the negligence of the parent or guardian, provided that the child is not an abused or neglected child.

(6) "Abused or neglected child" means a child whose health or welfare is harmed or threatened with harm when his parent, guardian or other person who has the permanent or temporary care, custody or responsibility for the supervision of the child: inflicts or allows to be inflicted upon the child, physical or mental injury to the child by other than accidental means; creates or allows to be created a risk of physical or mental injury to the child by other than accidental means; commits or allows to be committed an act of sexual abuse upon the child; willfully abandons or exploits such child; does not provide the child with adequate care and supervision; food, clothing and shelter; education; or medical care necessary for the child's well-being; provided, however, that a parent or guardian legitimately practicing his religious beliefs who thereby does not provide specified medical treatment for a child, for that reason alone shall not be considered a negligent parent or guardian. This exception, however, shall not preclude a court from ordering that medical services be provided to the child, where his health requires it.

(7) "Adult adopted person" means any adopted person who is twenty-one (21) years of age or older.

(8) "Child-caring facility" means any institution or group home other than a state facility, or one certified by an appropriate agency as operated primarily for educational or medical purposes providing residential care on a twenty-four hour basis to children, not related by blood, adoption or marriage to the person maintaining the facility.

(9)[~~(8)~~] "Child-placing agency" means any agency other than a state agency which supervises the placement of children in foster family homes or child-caring facilities, or which places children for adoption.

(10)[~~(9)~~] "Child welfare worker" means an employe of the department designated as such by the secretary for human resources or social worker employed by a county or city who has been approved by the department to handle, under its supervision, services to children.

(11)[~~(10)~~] "Boarding home or foster parent" as used in subsection (5) of KRS *199.603* [~~199.607~~] means persons who board children held in custody by the department.

(12)[~~(11)~~] "Foster family home" means a private home in which children are placed for foster family care under supervision of the department or of a licensed child-placing agency.

(13)[~~(12)~~] "Group home" means a homelike facility for not more than eight (8) foster children, not adjacent to or part of an institutional campus, operated by a sponsoring agency for children who may participate in community activities and use community resources.

(14)[~~(13)~~] "Institution" means a child-caring facility providing care or maintenance for nine (9) or more children.

(15)[~~(14)~~] "Family" rehabilitation home" means a child-caring facility for appropriate families and

comprising not more than twelve (12) children and two (2) staff persons.

Section 2. KRS 199.011, 1980 Acts Chapter 280, effective July 15, 1984, is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Secretary" means the secretary for human resources.

(2) "Department" means the department for human resources.

(3) "Child" means any person who has not reached his eighteenth (18th) birthday.

(4) *"Adult adopted person" means any adopted person who is twenty-one (21) years of age or older.*

(5) "Child-caring facility" means any institution or group home other than a state facility, or one certified by an appropriate agency as operated primarily for educational or medical purposes providing residential care on a twenty-four (24) hour basis to children, not related by blood, adoption or marriage to the person maintaining the facility.

(6)[~~(5)~~] "Child-placing agency" means any agency other than a state agency which supervises the placement of children in foster family homes or child-caring facilities, or which places children for adoption.

(7)[~~(6)~~] "Child welfare worker" means an employe of the department designated as such by the secretary for human resources or social worker employed by a county or city who has been approved by the department to handle, under its supervision, services to children.

(8)[~~(7)~~] "Institution" means a child-caring facility providing care or maintenance for nine (9) or more children.

Section 3. KRS 199.520 is amended to read as follows:

(1) After hearing the case the court shall enter a judgment of adoption, if it finds that the facts stated in the petition were established; that all legal requirements, including jurisdiction, relating to the adoption have been complied with; that the petitioners are of good moral character, of reputable standing in the community and of ability to properly maintain and educate the child, and that the best interest of the child will be promoted by the adoption and that the child is suitable for adoption. In the judgment the name of the child shall be changed to conform with the prayer of the petition. The judgment and all orders required to be entered and recorded in the order book, including the caption, shall contain only the names of the petitioners and the proposed adopted name of the child, without any reference whatsoever to its former name or the names of its birth parents.

(2) Upon entry of the judgment of adoption, from and after the date of the filing of the petition, the child shall be deemed the child of petitioners and shall be considered for purposes of inheritance and succession and for all other legal considerations, the natural, legitimate child of the parents adopting it the same as if born of their bodies. Except where a *biological* [~~natural~~] parent is the spouse of an adoptive parent an adopted child from the time of adoption shall have no legal relationship to its birth parents in respect to either personal or property rights.

(3) The clerk of the court shall notify the department of any action of the court with respect to entering a judgment granting an adoption, the amendment of an adoption, or the denial or dismissal of a petition for adoption.

(4) (a) The health history of biological parents and blood relatives of the adopted person, in writing, on a standardized form, provided by the department, if known, shall be given by the department or child-placing agency which has such information, to the adoptive parents and to the circuit court not later than the date the adopted person is placed for adoption.

(b) The information provided for in paragraph (a) of this subsection, if known, shall, upon the request in person or in writing of the adult adopted person be made available in writing to such person. None of the information shall be made available if it is of such a nature that it would tend to identify the biological parents of such adopted person except as provided in Sections 4 and 5 of this Act.

Section 4. KRS 199.570 is amended to read as follows:

(1) The files and records of the court during adoption proceedings shall not be open to inspection by persons other than parties to such proceedings, their attorneys, and representatives of the department except under order of the court expressly permitting inspection. Upon the entry of the final order in the case, the clerk shall place all papers and records in the case in a suitable envelope which shall be sealed and shall not be open for inspection by any person except on written order of the court, *except that upon the written consent of the biological parents and upon written order of the circuit court all papers and records including all files and records of the circuit court during proceedings for termination of parental rights provided in KRS 199.615 shall be open for inspection to any adult adopted person who applies in person or in writing to the circuit court as provided in Section 5 of this Act.* No person having charge of any adoption records shall disclose the names of any parties appearing in such records or furnish any copy of any such records, except upon order of the court which entered the judgment of adoption. The clerk of the circuit court shall set up a separate docket and order book for adoption cases and these files and records shall be kept locked.

(2) After entry of the adoption judgment, the clerk of the circuit court shall promptly report to the department for human resources of Kentucky full information as called for on forms furnished by the department for human resources, necessary to make a new birth certificate conforming to the standard birth

certificate form. Upon receipt of this information, the department for human resources shall cause to be made a new record of the birth and it shall be filed with the original certificate, and the original certificate shall be stamped with the words, "CONFIDENTIAL -- subject to copy and/or inspection only on written order of the court."

(3) The new certificate shall set forth the new name, if any, of the adopted child, the names of the adoptive parents and such other information deemed necessary in accordance with rules and regulations promulgated by the department for human resources in issuing of birth certificates. If the adopted child is under eighteen years of age, the birth certificate shall not contain any information revealing the child is adopted and shall show the adoptive parent or parents as the natural parent or parents of the child. The new birth certificate when issued shall not contain the place of birth, hospital and name of doctor or midwife. This information should be given only by an order of the court in which the child was adopted. The new birth certificate shall recite the residence of the adoptive parents as the birthplace of the child and this shall be deemed for all legal purposes to be the birthplace of the child. If no birth certificate is on file for a child born in Kentucky, the department for human resources shall prepare a certificate of birth in accordance with the information furnished the department by the clerk of the circuit court which issued the adoption order. The department for human resources shall furnish to the clerks of the circuit courts the necessary forms to carry out the provisions of this section. In the event the child was born in another state, the order of adoption shall be forwarded to the division of vital statistics of the state concerned to be changed in accordance with the laws of such state. In the event the child was born in a foreign country, the report of adoption shall be returned to the attorney or agency handling the adoption for submission to the appropriate federal agency.

(4) Thereafter when any copy of the certificate of birth of any child is issued it shall be a copy of the new certificate of birth, except when an order of the court granting the judgment of adoption shall request the issuance of the copy of the original certificate of such child's birth.

(5) If any judgment of adoption is reversed, modified or vacated in any particular, the clerk of the circuit court shall notify the department for human resources of such reversal or modification and the effect of same, and thereupon such department shall make such changes, if any, in its records as may be necessary by such reversal or modification.

SECTION 5. A NEW SECTION OF KRS CHAPTER 199 IS CREATED TO READ AS FOLLOWS:

(1) At the time the biological parents give up the child for adoption, they shall be asked by the department whether they consent to the inspection of the adoption records and to personal contact by the child when he becomes an adult. If consent is then given, it may later be revoked. If consent is withheld at that time, the biological parents may give consent at any later time. The initial written statement of consent or refusal of consent to inspection of records and personal contact shall be filed with the circuit court not later than the date of finalization of the adoption proceedings. When a written consent is on file, the records shall be available to the adult adopted person, upon his request therefor in writing.

(2) When any adult adopted person applies in person or in writing to the circuit court for authorization to inspect all papers and records pertaining to the adoption proceedings of such adopted person as provided in KRS 199.570(1), and the biological parents have previously refused consent to inspection of records and to personal contact, the court may, if satisfied as to the identity of such adult adopted person, authorize the adult adopted person to inspect the papers and records if written consent is obtained from the biological parents identified on the adult adopted person's original birth certificate.

(3) . The circuit court shall, within seven (7) working days of the receipt of the request, direct the secretary of the department to notify each biological parent identified on the adult adopted person's original birth certificate that said person has applied to the court for information identifying such biological parent. Within six (6) months of receiving the notice of the request of the adult adopted person, the secretary of the department shall make complete and reasonable efforts to notify each biological parent identified on the adult adopted person's original birth certificate. The secretary may charge a reasonable fee not to exceed two hundred fifty dollars ($250) to the adult adopted person for making such a search. Every child-caring facility and child-placing agency in the Commonwealth shall cooperate with the secretary in his efforts to notify such biological parents.

(4) The notification of the biological parents shall not be by mail and shall be by personal and confidential contact. The notification shall be done without disclosing the identity of the adult adopted person. The personal and confidential contact with the biological parents shall be evidenced by filing with the circuit court an affidavit of notification executed by the person who notified each parent and certifying each parent was given the following information:

(a) The nature of the information requested by the adult adopted person;

(b) The date of the request of the adult adopted person;

(c) The right of the biological parent to file, within sixty (60) days of receipt of the notice, an affidavit with the circuit court stating that the adult adopted person shall be authorized to inspect all papers and records pertaining to the adoptee;

(d) The right of the biological parent to file at any time an affidavit authorizing the adult adopted

person to inspect all papers and records pertaining to the adoptee; and

(e) The right of a biological parent to file an affidavit with the circuit court stating that all papers and records pertaining to the adoption proceedings of the adult adopted person shall not be open for inspection by the adult adopted person.

(5) The adult adopted person shall not be authorized to inspect the papers and records pertaining to his adoption proceedings unless those biological parents identified on the original birth certificate agree in writing to such inspection.

(6) If after diligent and reasonable effort, the secretary of the department certifies that both biological parents identified in the original birth certificate are deceased or the secretary is unable to locate said parents, then a judge of the circuit court, upon motion of the adult adopted person, may order that all papers and records of the department for human resources and those of the circuit court pertaining to the adoption shall be open for inspection to such adult adopted person.

Section 6. The reviser of statutes shall whenever the phrases "natural parent" or "natural parents" appear in the Kentucky Revised Statutes change them so as to read "biological parent" or "biological parents."

The Committee on Energy reported **SB 372** and **SB 371** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 372, AN ACT relating to state purchasing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 45.360 is amended to read as follows:

(1) The finance and administration cabinet shall purchase, or shall delegate and control the purchase of, the combined requirements of all spending agencies of the state including, but not limited to, interests in real property, contractual services, rentals of all types, supplies, materials, equipment, and services, except that competitive bids may not be required:

(a) For contractual services where no competition exists, such as telephone service, electrical energy, and other public utility services;

(b) When in the judgment of the finance and administration cabinet food, clothing, equipment, supplies, or other materials to be used in laboratory and experimental studies can be purchased otherwise to the best advantage of the state; and instructional materials available from only one (1) source;

(c) Where rates are fixed by law or ordinance;

(d) For library books;

(e) For commercial items that are purchased for resale;

(f) For professional, technical, scientific, or artistic services (contracts exempted by this provision shall be reviewed and approved in accordance with KRS 45.710 to 45.720);

(g) For all other commodities, equipment and services which, in the reasonable discretion of the finance and administration cabinet, are available from only one (1) source; and

(h) Interests in real property.

(2) Nothing in this section shall deprive the finance and administration cabinet from negotiating with vendors who maintain a general service administration price agreement with the United States of America or any agency thereof, provided, however, that no contract executed under this provision shall authorize a price higher than is contained in the contract between the general service administration and the vendor affected.

(3) The finance and administration cabinet shall have supervision over all purchases by the various spending agencies, except as otherwise provided by law, and shall prescribe rules and regulations to govern purchasing by or for all such agencies, subject to the approval of the secretary of the finance and administration cabinet, and shall publish a manual of procedures to be distributed to agencies and to be revised upon issuance of amendments to such procedures. No purchase or contract shall be binding on the state or any agency thereof unless approved by the department or made under general regulations which the finance and administration cabinet may prescribe.

(4) The finance and administration cabinet shall adopt regulations to require agencies to take and maintain inventories of plant property, buildings, structures, other fixed assets, and equipment. The finance and administration cabinet shall conduct periodic physical audits of inventories.

(5) The finance and administration cabinet shall require all agencies to furnish an estimate of specific needs for supplies, materials, and equipment to be purchased by competitive bidding for the purpose of permitting scheduling of purchasing in large volume. It shall establish and enforce schedules for purchasing supplies, materials, and equipment. In addition, all agencies shall submit to the finance and administration cabinet prior to the beginning of each fiscal year an estimate of all needs for supplies, materials, and

equipment during that year which will have to be acquired through competitive bidding.

(6) The finance and administration cabinet shall have power, with the approval of the secretary of the finance and administration cabinet, to transfer between departments, to salvage, to exchange, and to condemn supplies, equipment, and real property.

(7) The finance and administration cabinet shall sell or otherwise dispose of all property (including any interest in real property) of the state which is not needed or has become unsuitable for public use, or would be more suitable consistent with the public interest for some other use, as determined by the secretary of the finance and administration cabinet. The determination of the secretary of the finance and administration cabinet shall be set forth in an order, and shall be reached only after review of a written request by the agency desiring to dispose of the property. Such request shall describe the property and state the reasons why the agency believes disposal should be effected. All instruments required by law to be recorded which convey any interest in any such real property so disposed of shall be executed and signed by the secretary of the finance and administration cabinet and approved by the governor. Unless the secretary of the finance and administration cabinet deems it in the best interest of the state to proceed otherwise, all such property (including any interests in real property) shall be sold either by invitation of sealed bids or by public auction, provided however that the selling price of any interest in real property shall not be less than the appraised value thereof as determined by the department, or the department of transportation for such requirements of that department.

(8) Except as provided in KRS Chapters 175, 176, 177 and 180, and subject to the provisions of KRS Chapter 45A, the finance and administration cabinet shall purchase or otherwise acquire all real property determined to be needed for state use, upon the approval of the secretary of the finance and administration cabinet as to the determination of need and as to the action of purchase or other acquisition, provided that the amount paid shall not exceed the appraised value as determined by the department, or the department of transportation (for such requirements of that department), or value set by eminent domain procedure.

(9) Real property or any interest therein may, subject to the provisions of KRS Chapter 45A, be purchased, leased, or otherwise acquired from any officer or employe of any agency of the state upon a finding by the finance and administration cabinet, based upon a written application by the head of the agency requesting the purchase, and approved by the secretary of the finance and administration cabinet and the governor, that the employe has not either himself or through any other person influenced or attempted to influence either the agency requesting the purchase of the property or the finance and administration cabinet in connection with such acquisition. In any case in which such an acquisition is consummated, the said request and finding shall be recorded and kept by the secretary of state along with the other documents recorded pursuant to the provisions of KRS Chapter 56.

(10) The finance and administration cabinet shall maintain records of all purchases and sales made under its authority and shall make periodic summary reports of all transactions to the secretary of the finance and administration cabinet, the governor, and the general assembly. The finance and administration cabinet shall also report trends in costs and prices, including savings realized through improved practices, to the above authorities.

(11) For capital construction projects, subject to the provisions of KRS Chapter 45A, the bidding may be on a total design-bid basis; a package system commonly referred to as "turnkey"; phase bidding commonly referred to as "fast track"; or construction management, whichever in the judgment of the secretary of the finance and administration cabinet offers the lowest real cost to the taxpayer. Bids shall be reviewed by the engineering staff to assure quality and value, and compliance with bid procedures. All specifications shall be written to promote competition.

(12) The finance and administration cabinet shall attempt in every practicable way to insure the state's supplying its real needs at the lowest possible cost.

(13) The finance and administration cabinet shall have control and supervision over all purchases of energy consuming equipment, supplies and related equipment purchased or acquired by any agency of the state as provided in KRS 45.360 to 45.990, and shall designate by regulation the manner in which an energy consuming item will be purchased so as to promote energy conservation and acquisition of energy efficient products. *Major energy components shall be amortized on a seven (7) to ten (10) years recovery basis and shall take into consideration the projected cost of fuel. The energy cabinet shall conduct thorough economic feasibility analyses on any major energy using component of at least three million (3,000,000) BTU's per hour heat input and must issue a certificate of economic feasibility prior to the finance and administration cabinet's purchasing or retrofitting any such component that utilizes any fuel other than coal. Such economic feasibility analysis shall consist of life-cycle cost comparisons of a component that would utilize coal and one(s) that would utilize any fuel other than coal. For such analyses, the finance and administration cabinet shall provide detailed estimates of equipment purchase price, installation cost, annual operation and maintenance costs, and usage patterns of energy-using components.*

SB 371, AN ACT relating to energy research and demonstration.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 152.755 is amended to read as follows:

The secretary of the [~~Kentucky department of~~] energy *cabinet,* with the approval of the governor, may execute contracts to design, construct, or operate development or demonstration projects, subject to the approval of the board. To such end, the secretary may execute such agreements up to a maximum of fifty-five million dollars ($55,000,000) for the period July 1, 1974 to December 30, 1985. Funds required under such agreement shall be deemed a necessary governmental expense and paid by the state treasurer upon approval of the [~~executive department for~~] finance and administration *cabinet.* A copy of each agreement executed shall be filed with the legislative research commission. *The conversion of state facilities from non-coal fuels to coal using innovative technologies such as, but not limited to, fluidized bed combustion, powdered coal, micro-coal, coal slurry fuels, and coal limestone mixtures, is hereby established as a priority for future funding under this Act. The energy cabinet and the finance and administration cabinet are directed to pursue such conversions as may be identified by existing or future feasibility studies. Projects under this provision shall be deemed to be eligible for funds under this Act up to twenty-five percent of the remaining commitment authorization as of June 30, 1984.*

The Committee on Transportation reported **SB 288,** with Committee Amendments attached thereto, and **SB 10,** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 288, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 190.010 is amended to read as follows:

As used in KRS 190.010 to 190.080 unless the context requires otherwise:

(1) "Manufacturer" means any person, partnership, firm, association, corporation or trust, resident or nonresident, who manufactures or assembles new motor vehicles, or imports for distribution through distributors of new motor vehicles, or any partnership, firm, association, joint venture, corporation or trust, resident or nonresident, which is controlled by the manufacturer. Additionally, the term "manufacturer" shall include the following terms:

(a) "Distributor" which means any person, firm, association, corporation or trust, resident or nonresident, who in whole or in part offers for sale, sells, or distributes any new motor vehicle to new motor vehicle dealers, or who maintains factory representatives, or who controls any person, firm, association, corporation or trust, resident or nonresident, who in whole or in part offers for sale, sells, or distributes any new motor vehicle to new motor vehicle dealers.

(b) "Factory branch" which means a branch office maintained by a manufacturer for the purpose of selling, or offering for sale, new motor vehicles to a distributor, wholesaler, or new motor vehicle dealer, or for directing or supervising, in whole or in part, factory or distributor representatives, and shall further include any sales promotion organization, whether the same be a person, firm, or corporation, which is engaged in promoting the sale of new motor vehicles in this state of a particular brand or make to new motor vehicle dealers.

(c) "Factory representative" which means a representative employed by a manufacturer, distributor, or factory branch for the purpose of making or promoting for the sale of his, its, or their new motor vehicles, or for supervising or contracting with his, its, or their dealers, or prospective dealers.

(d) "Distributor branch" which means a branch office similarly maintained by a distributor or wholesaler for the same purposes.

(e) "Distributor representative" which means a representative similarly employed by a distributor, distributor branch, or wholesaler.

(2) "Motor vehicle dealer" means any person not excluded by subsection (3) of this section, engaged in the business of selling, offering to sell, soliciting, or advertising the same, of new or used motor vehicles, or possessing motor vehicles for the purpose of resale, either on his own account, or on behalf of another, either as his primary business or incidental thereto.

(3) The term "motor vehicle dealer" does not include:

(a) Receivers, trustees, administrators, executors, guardians or other persons appointed by or acting under the judgment or order of any court, and any bank, trust company or lending institution which is subject to state or federal regulation as such, with regard to its disposition of repossessed motor vehicles;

(b) Public officers while performing their official duties; or

(c) Employes of persons enumerated in paragraphs (a) and (b) of this subsection, when engaged in the specific performance of their duties as such employes.

(4) "New motor vehicle dealer" means a vehicle dealer who holds a valid sales and service agreement, franchise, or contract, granted by the manufacturer, distributor, or wholesaler for the sale of said manufacturer's new motor vehicles.

(5) "Used motor vehicle dealer" means any person engaged in the business of selling at retail, displaying, offering for sale, or dealing in used motor vehicles, but does not mean any new motor vehicle dealer selling, displaying, offering for sale, or dealing in used motor vehicles incidentally to engaging in the business of selling, displaying, offering for sale, or dealing in new motor vehicles, any person engaged in the business of dismantling, salvaging, or rebuilding motor vehicles by means of using used parts, or any public officer performing his official duties.

(6) "Motor vehicle leasing dealer" means any person engaged in the business of regularly making available, offering to make available, or arranging for another person to use a motor vehicle pursuant to a bailment, lease or other contractual arrangement under which a charge is made for its use at a periodic rate for at least a monthly term, and title to the motor vehicle is in a person other than the user, but does not mean a manufacturer or its affiliate leasing to its employes or to dealers.

(7) *"Restricted motor vehicle dealer" means a motor vehicle dealer who exclusively sells, offers to sell, solicits, or advertises specialized motor vehicles such as, but not limited to, funeral coaches and emergency vehicles.*

(8) "Motorcycle dealer" means a motor vehicle dealer who exclusively sells, offers to sell, solicits, or advertises motorcycles. Motorcycles shall not include mopeds as defined in this section.

(9) "Motor vehicle salesman" means any person who is employed as a salesman by a motor vehicle dealer to sell motor vehicles, or who is employed as an auctioneer by a motor vehicle auction dealer to sell motor vehicles at auction.

(10)[~~(8)~~] "Motor vehicle auction dealer" means any person who offers, negotiates, or attempts to negotiate a sale, purchase, or exchange of a motor vehicle which may be lawfully kept or offered for sale by or at public auction or who sells same at auction.

(11)[~~(9)~~] "Motor vehicle" means every vehicle intended primarily for use and operation on the public highways, which is self propelled, not including farm tractors and other machines and tools used in the production, harvesting and care of farm products.

(12)[~~(10)~~] "New motor vehicle" means a vehicle which is in the possession of the manufacturer, distributor, or wholesaler, or has been sold only to the holders of a valid sales and service agreement, franchise, or contract, granted by the manufacturer, distributor, or wholesaler for the sale of said make of new vehicle, and which is, in fact, new and on which the original title has not been issued from the franchised dealer.

(13)[~~(11)~~] "Moped" means either a motorized bicycle whose frame design may include one (1) or more horizontal crossbars supporting a fuel tank so long as it also has pedals, or a motorized bicycle with a step through type frame which may or may not have pedals rated no more than two (2) brake horsepower, a cylinder capacity not exceeding fifty (50) cubic centimeters, an automatic transmission not requiring clutching or shifting by the operator after the drive system is engaged, and capable of a maximum speed of not more than thirty (30) miles per hour.

(14)[~~(12)~~] "Commission" means the motor vehicle dealer's licensing commission.

(15)[~~(13)~~] "Commissioner" means the commissioner of vehicle regulation.

(16)[~~(14)~~] "Department" means the department of vehicle regulation.

(17)[~~(15)~~] "Licensor" means [~~either~~] the commission [~~or the department or both~~].

(18)[~~(16)~~] "Established place of business" means a permanent, enclosed commercial building located within this state easily accessible and open to the public at all reasonable times, and at which the business of a vehicle dealer, including the display and repair of vehicles, may be lawfully carried on in accordance with the terms of all applicable building codes, zoning and other land use regulatory ordinances.

(19)[~~(17)~~] "Person" means a person, partnership, firm, corporation or association, trust, estate or other legal entity.

(20)[~~(18)~~] "Franchise" means the agreement or contract between any new motor vehicle manufacturer, written or otherwise, and any new motor vehicle dealer which purports to fix the legal rights and liabilities of the parties to such an agreement or contract, and pursuant to which the dealer purchases and resells the franchise product.

(21)[~~(19)~~] "Good faith" means honesty in fact, and the observance of reasonable commercial standards of fair dealing in the trade, as is defined and interpreted in *KRS 355.2-103(1)(b)* [~~Section 2-103(1)(b) of the Uniform Commercial Code~~].

(22)[~~(20)~~] "Designated family member" means the spouse, child, grandchild, parent, brother, or sister of a dealer who, in the case of a deceased dealer, is entitled to inherit the dealer's ownership interest in the dealership under the terms of the dealer's will; or who has otherwise been designated in writing by a deceased dealer to succeed him in the motor vehicle dealership; or who, under the laws of intestate succession

of this state is entitled to inherit the interest; or who, in the case of an incapacitated dealer, has been appointed by a court as the legal representative of the dealer's property. The term includes the appointed and qualified personal representative and testamentary trustee of a deceased dealer.

(23)[~~(21)~~] "Fraud" means a misrepresentation in any manner, whether intentionally false or due to gross negligence, of a material fact; a promise or representation not made in good faith; or an intentional failure to disclose material fact.

(24)[~~(22)~~] "Sale" means the issuance, transfer, agreement for transfer, exchange, pledge, hypothecation, mortgage in any form, whether by transfer in trust or otherwise, of any motor vehicle or interest therein, or of any franchise related thereto, as well as any option, subscription or other contract, or solicitation looking to a sale, offer to attempt to sell in any form, whether spoken or written. A gift or delivery of any motor vehicle or franchise with respect thereto, with or as a bonus on account of the sale of anything, shall be deemed a sale of such motor vehicle or franchise.

Section 2. KRS 190.020 is amended to read as follows:

The *commission* [~~department~~] shall, under administrative regulations promulgated by *it* [~~the department and approved by the commission~~], issue the licenses provided for by KRS 190.010 to 190.080 and shall have supervision over the licensees thereunder in respect to all the provisions of KRS 190.010 to 190.080.

Section 3. KRS 190.030 is amended to read as follows:

(1) No motor vehicle dealer, new, used or auction motor vehicle dealer, motor vehicle leasing dealer, *restricted motor vehicle dealer, motorcycle dealer,* broker, wholesaler, or a salesman of motor vehicles in any of the described categories herein, shall engage in business as such in this state without a license therefor as provided in KRS 190.010 to 190.080. If any such person acts as a motor vehicle salesman he shall secure a motor vehicle salesman's license in addition to a license for a motor vehicle dealer. *The motor vehicle commission is authorized to provide by regulation for other licensee activities and an appropriate fee therefor.*

(2) No manufacturer of motor vehicles, or factory branch, or distributor or distributor branch, or wholesaler shall engage in business as such in this state without a license therefor as provided in KRS 190.010 to 190.080.

(3) No factory representative or distributor representative shall engage in business as such in this state without a license therefor as provided in KRS 190.010 to 190.080.

(4) Application for license shall be made to the licensor, at such time, in such form and containing such information as the licensor shall require and shall be accompanied by the required fee. The licensor may require in such application, or otherwise, information relating to the applicant's solvency, his financial standing or other pertinent matter commensurate with the safeguarding of the public interest in the locality in which said applicant proposes to engage in business, all of which may be considered by said licensor in determining the fitness of said applicant to engage in business as set forth in this section.

(5) All licenses shall be granted or refused within 30 days after *submission of a complete* application therefor, and shall expire, unless sooner revoked or suspended, on December 31 of the calendar year for which they are granted, except that where a complaint of unfair cancellation of dealer franchise is in the process of being heard, no replacement application for such franchise shall be considered until a decision is rendered by the commission.

(6) The license fee for such calendar year, or part thereof, shall be as follows, effective January 1, 1982:

(a) For new motor vehicle dealers, one hundred dollars ($100.00) for each office or branch or agent thereof, plus one hundred dollars ($100) for a supplemental license for each used car lot not immediately adjacent to the office or to a branch.

(b) For used motor vehicle dealers, one hundred dollars ($100) for each office or branch or agent thereof.

(c) For motor vehicle leasing dealers, one hundred dollars ($100) for each office or branch or agent thereof.

(d) *For restricted motor vehicle dealers, one hundred dollars ($100) for each office or branch or agent thereof.*

(e) For motorcycle dealers, one hundred dollars ($100) for each office, branch, or agent thereof.

(f) For motor vehicle manufacturers, one hundred dollars ($100); and for each factory branch in this state, one hundred dollars ($100).

(g)[~~(e)~~] For distributors, motor vehicle auction dealers or wholesalers, the same as for dealers.

(h)[~~(f)~~] For motor vehicle salesmen, *ten* [~~five~~] dollars *($10)*[~~($5.00)~~].

(i)[~~(g)~~] For factory representatives, or distributor branch representatives, one hundred dollars ($100).

(7) The licenses of dealers, manufacturers, factory branches, distributors, and distributor branches shall specify the location of the office or branch and must be conspicuously displayed there. In case such location be changed, the licensor shall indorse the change of location on the license without charge if it be

within the same municipality, *provided that the licensee meets those requirements set forth by the commission through rules and regulations and pays a fee of one hundred dollars ($100).* A change of location to another municipality shall require a new license.

(8) Every salesman, factory representative or distributor representative shall carry his license when engaged in his business, and display the same upon request. The license shall name his employer, and in case of a change of employer, the salesman shall immediately mail his license to the licensor who shall indorse such change on the license without charge.

(9) Provided the licensor has reasonable cause to doubt the financial responsibility or the compliance by the applicant or licensee with the provisions of this statute the licensor may require such applicant or licensee to furnish and maintain a bond in such form, amount and with such sureties as it shall approve, but not less than fifteen thousand dollars ($15,000), conditioned upon such applicant or licensee complying with the provisions of the statutes applicable to the licensee [~~and as indemnity for any loss sustained by any person by reason of any acts of the licensee constituting grounds for suspension or revocation of his license hereunder~~]. The bonds shall be executed in the name of the state of Kentucky for the benefit of any aggrieved parties, but the penalty of said bond shall not be invoked except after a court adjudication thereof. *Upon regulations promulgated by the commission, the commission may permit the applicant to submit evidence, in lieu of posting bond, that reliable financial arrangements, deposits, or commitments exist providing assurance, substantially equivalent to that afforded by a bond complying with this subsection, for payment on such conditions and such indemnity as set forth in this subsection.* The above bonding requirements shall not apply to manufacturers, factory branches, and their agents.

(10) Application for dealer's license shall be submitted to the department in duplicate and contain such information as the department may require. No motor vehicle dealer, unless licensed under KRS 190.010 to 190.080, shall be permitted to register, receive, or use any motor vehicle registration plates.

(11) Every motor vehicle dealer licensed in accordance with the provisions of this section shall make reports to the licensor at such intervals and showing such information as the licensor may require.

Section 4. KRS 190.035 is amended to read as follows:

No license shall be issued by the *commission* [~~department~~] for the purposes [~~and to the persons~~] described in KRS 190.030(1) *and to motor vehicle dealers*, either as dealer or salesman, unless the applicant for the license has an established place of business as defined in KRS 190.010, *and as provided by regulation of the commission consistent with the activity of the license applied for.* A licensee may conduct more than one (1) business in a building otherwise meeting the requirements of this chapter providing he has suitable space and adequate facilities therein to properly conduct the business of a motor vehicle dealer. [~~Provided, however, a used motor vehicle dealer having annual unit sales of more than six (6) units shall have an established place of business as required in this chapter.~~] The lot requirement of this section may be waived if the dealer has sufficient space within a building to properly show and display the motor vehicles being sold by him. The dealer shall display a sign easily visible from the street identifying his business.

Section 5. KRS 190.045 is amended to read as follows:

(1) Notwithstanding the terms, provisions or conditions of any franchise or notwithstanding the terms or provisions of any waiver, no manufacturer shall cancel, terminate or fail to renew any franchise with a licensed new motor vehicle dealer unless the manufacturer has:

(a) Satisfied the notice requirement of subsection (4) *of this section*; and

(b) Has good cause for cancellation, termination, or nonrenewal; and

(c) Has acted in good faith as defined in KRS 190.010*(21)*[~~(19)~~].

(2) Notwithstanding the terms, provisions or conditions of any franchise or the terms or provisions of any waiver, good cause shall exist for the purposes of a termination, cancellation or nonrenewal when:

(a) There is a failure by the new motor vehicle dealer to comply with a provision of the franchise which provision is both reasonable and of material significance to the franchise relationship, provided that the dealer has been notified in writing of the failure within one hundred eighty (180) days after the manufacturer first acquired knowledge of such failure.

(b) If the failure by the new motor vehicle dealer, defined in paragraph (a) of this subsection, relates to the performance of the new motor vehicle dealer in sales or service, then good cause shall be defined as the failure of the new motor vehicle dealer to comply with reasonable performance criteria established by the manufacturer, if the new motor vehicle dealer was apprised by the manufacturer in writing of such failure, and

1. Said notification stated that notice was provided of failure of performance pursuant to this section;

2. The new motor vehicle dealer was afforded a reasonable opportunity, for a period of not less than six (6) months, to comply with such criteria; and

3. The new motor vehicle dealer did not demonstrate substantial progress toward compliance with the manufacturer's performance criteria during such period.

(3) The manufacturer shall have the burden of proof under this section.

(4) Notwithstanding the terms, provisions or conditions of any franchise prior to the termination,

cancellation, or nonrenewal of any franchise, the manufacturer shall furnish notification of such termination, cancellation or nonrenewal to the new motor vehicle dealer as follows:

(a) In the manner described in subsection (2)(b) of this section; and

(b) In not less than ninety (90) days prior to the effective date of such termination, cancellation or nonrenewal; or

(c) In not less than fifteen (15) days prior to the effective date of such termination, cancellation or nonrenewal with respect to any of the following:

1. Insolvency of the new motor vehicle dealer, or filing of any petition by or against the new motor vehicle dealer under any bankruptcy or receivership law;

2. Failure of the new motor vehicle dealer to conduct its customary sales and service operations during its customary business hours for seven (7) consecutive business days, except for acts of God or circumstances beyond the direct control of the new motor vehicle dealer;

3. Fraudulent misrepresentation by the new motor vehicle dealer to the manufacturer or distributor which is material to the franchise;

4. Conviction of the new motor vehicle dealer, or any owner or operator thereof, of any felony which is punishable by imprisonment; or

5. Revocation of any license which the new motor vehicle dealer is required to have to operate a dealership;

(d) In not less than one hundred eighty (180) days prior to the effective date of such termination or cancellation where the manufacturer or distributor is discontinuing the sale of the product line.

(5) Notification under this section shall be in writing by certified mail or personally delivered to the new motor vehicle dealer; and shall contain:

(a) A statement of intent to terminate, cancel, or not to renew the franchise; and

(b) A statement of the reasons for the termination, cancellation or nonrenewal; and

(c) The date on which such termination, cancellation or nonrenewal takes effect.

(6) Upon the termination, nonrenewal or cancellation of any franchise, pursuant to this section, the new motor vehicle dealer shall be allowed fair and reasonable compensation by the manufacturer for the:

(a) New current model year motor vehicle inventory which has been acquired from the manufacturer, and which has not been damaged or altered while in the dealer's possession;

(b) Supplies and parts which have been acquired from the manufacturer;

(c) Equipment and furnishings provided the new motor vehicle dealer purchased from the manufacturer or its approved sources; and

(d) Special tools.

Such fair and reasonable compensation shall be paid by the manufacturer within ninety (90) days of the effective date of termination, cancellation or nonrenewal, provided the new motor vehicle dealer has clear title to the inventory and other items and is in a position to convey that title to the manufacturer.

(7) In the event of a termination, cancellation, or nonrenewal under this section, and the new motor vehicle dealer is leasing the dealership facilities from a lessor other than the manufacturer, or owns the dealership facilities, the manufacturer shall pay a reasonable rent to the dealer in accordance with and subject to subsection (8) of this section.

(8) (a) Such reasonable rental value shall be paid only to the extent the dealership premises are recognized in the franchise and only if they are:

1. Used solely for performance in accordance with the franchise; and

2. Not substantially in excess of those facilities recommended by the manufacturer.

(b) If the facilities are owned by the dealer, the manufacturer will either:

1. Locate a purchaser who will offer to purchase the dealership facilities at a reasonable price; or

2. Locate a lessee who will offer to lease the premises for a reasonable term at a reasonable rent; or

3. Failing the foregoing, lease the dealership facilities at a reasonable rental value for one (1) year.

(c) If the facilities are leased by the dealer, the manufacturer will either:

1. Locate a tenant or tenants satisfactory to the lessor, who will sublet or assume the balance of the lease; or

2. Arrange with the lessor for the cancellation of the lease without penalty to the dealer; or

3. Failing the foregoing, lease the dealership facilities at a reasonable rent for one (1) year.

(d) The manufacturer shall not be obligated to provide assistance under this section if the dealer:

1. Fails to accept a bona fide offer from a prospective purchaser, sublessee or assignee; or

2. Refuses to execute a settlement agreement with the lessor if such agreement would be without cost to the dealer; or

3. Fails to make written request for assistance under this section within one (1) month of the termination, cancellation or nonrenewal.

(e) If, in an action for damages under this section, the manufacturer or distributor fails to prove either that the manufacturer or distributor has acted in good faith or that there was good cause for the franchise termination, cancellation, or nonrenewal, then the manufacturer or distributor may terminate, cancel or fail to renew the franchise upon payment to the new motor vehicle dealer of an amount equal to the value of the dealership as an ongoing business location.

Section 6. KRS 190.047 is amended to read as follows:

(1) Unless a franchise specifically states to the contrary, no franchise or any interest therein may be sold, transferred, or assigned without the approval of the manufacturer or distributor.

(2) A dealer desiring to sell, transfer or assign all or any portion of his franchise shall submit a written proposal of such sale, transfer or assignment to the manufacturer or distributor, and approval of such proposal shall not be arbitrarily or unreasonably withheld.

(3) The refusal of the manufacturer or the distributor to approve a proposed sale, transfer or assignment shall be subject to review by the licensor, provided a written application for review is filed with the licensor, with notice to the manufacturer or distributor, within thirty (30) days of the date of such refusal and such refusal shall not be final until the licensor, after a hearing has been held in accordance with the provisions of KRS 190.057, has determined that the approval was not arbitrarily or unreasonably withheld. The licensor shall make such determination within ninety (90) days after the application for review has been filed with the licensor.

(4) The burden of proof shall be on the dealer to show that the approval of the sale, transfer or assignment of any interest in the franchise was arbitrarily or unreasonably withheld. Factors to be considered in determining whether the manufacturer or distributor acted arbitrarily or unreasonably shall include whether the basic financial and facility requirements of the franchise will be met by the proposed transfer, sale or assignment and that the proposed purchaser, transferee or assignee is capable of operating, managing and supervising the operation of the business in question.

(5) Failure of the manufacturer or distributor to abide by the final order of the licensor or to continue the franchise in effect pending the final determination of the issue by the licensor shall be cause for the licensor to refuse to issue a subsequent license in the same county or franchise area to an applicant who will be selling the same motor vehicles as the former dealer for the same manufacturer or distributor.

(6) In the event that a manufacturer, distributor, factory branch, or factory representative seeks to enter into a franchise establishing an additional new motor vehicle dealership, or relocating an existing new motor vehicle dealership within or into a relevant market area where the same line make is then represented, the manufacturer, distributor, factory branch, or factory representative shall, in writing, first notify the licensor, and each new motor vehicle dealer in such line make in the relevant market area, of the intention to establish an additional dealership, or to relocate an existing dealership within or into that market area. The relevant market area shall be a radius of ten (10) miles around an existing dealership. Within fifteen (15) days of receiving such notice, or within fifteen (15) days after the end of any appeal procedure provided by the manufacturer, distributor, factory branch, or factory representative, any such new motor vehicle dealership may file with the licensor a protest to the establishment or relocation of the new motor vehicle dealership. When such a protest is filed, the licensor shall inform the manufacturer, distributor, factory branch, or factory representative, that a timely protest has been filed, and that the manufacturer, distributor, factory branch, or factory representative shall not establish or relocate the proposed new motor vehicle dealership until the licensor has held a hearing, if the licensor has determined that there is good cause for [~~not~~] permitting such new motor vehicle dealership. For the purposes of this section, the reopening in a relevant market area of a new motor vehicle dealership that has not been in operation for two (2) years or more shall be deemed the establishment of an additional new motor vehicle dealership.

(7) In determining whether good cause has been established for [~~not~~] entering into or relocating an additional franchise for the same line make, the licensor shall take into consideration the existing circumstances, including, but not limited to:

(a) Permanency of the investment;

(b) [~~Effect on the retail new motor vehicle business and the consuming public in the relevant market area;~~

~~(c) Whether it is injurious to the public welfare for an additional new motor vehicle dealership to be established;~~

~~(d)~~] Whether the new motor vehicle dealer of the same line make in that relevant market area is providing adequate competition and convenient consumer care for the motor vehicles of the line make in the market area, which shall include the adequacy of motor vehicle sales and service facilities, equipment, supply of vehicle parts, and qualified service personnel;

(c)[~~(e)~~] Growth, or decline in population and new car registrations in the relevant market areas[~~;~~

~~(f) Whether the establishment of a new motor vehicle dealership would increase the competition, and therefore, be in the public interest;~~

~~(g) The effect on the relocating dealer of a denial of its relocation into the relevant market area~~].

(8) Any parties to a hearing by the licensor concerning the establishing or relocating of a new motor vehicle dealership shall have a right of review of the decision in a court of competent jurisdiction.

(9) The provisions of this section shall apply to the personal representative, executor or administrator of the estate of an individual who had an interest in a franchise, or to the guardian or

conservator of an individual who has been declared mentally disabled and who has such an interest for one (1) year following appointment.

(10) The provisions of this section do not apply to:

(a) The relocation of an existing dealership within that dealer's area of responsibility contained in its franchise agreement, provided the relocation is not within five (5) miles of a new motor vehicle dealer of the same line make; or

(b) The relocation of an existing dealership to a site that is further away from an existing dealership of the same line make.

Section 7. KRS 190.057 is amended to read as follows:

(1) Hearings under this chapter shall be heard by the *commission* [~~department~~] and may be held at the most convenient place for the parties and witnesses. The hearing shall be conducted by an examiner of the *commission* [~~department~~]. After the final conclusion of the hearing, the examiner shall make a report and recommended order, which report and recommended order shall contain a finding of fact and a conclusion of law, and such report and recommended order shall be served by mail upon each of the parties. Any of the parties thereto may, within twenty (20) days after the date of the report and recommended order, file and serve exceptions thereto and reasons in support thereof. Replies may be served and filed within twenty (20) days after the date of the filing of exceptions. Thereafter the commissioner shall consider and pass upon the case. When passed upon by [~~the commissioner~~] and approved by the commission, the decision shall be served by mail upon all parties and shall be a final order of the *commission* [~~department~~]. The report and recommended order will not become the decision of the *commission* [~~department~~] through failure to file exceptions, but in the absence of exceptions ordinarily will be taken by the *commission* [~~department~~] as the basis of its decision.

(2) A final order may be withdrawn, set aside or amended, provided, however, that such action is taken between the date of the rendition of the final order and the expiration of the time for appeal or until an appeal has been taken.

Section 8. KRS 190.058 is amended to read as follows:

(1) The motor vehicle commission is hereby created as an agency of the Commonwealth to carry out the functions and duties conferred upon it by this section [~~in conjunction with the department of motor vehicle regulation~~].

(2) The commission shall consist of twelve (12) members, eleven (11) of whom are to be appointed by the governor and each of whom must reside in a separate federal congressional district, except the commissioner, the members representing manufacturers, dealers and consumers, and one (1) other, who shall serve as the twelfth member of the commission. No more than seven (7) members of the commission shall belong to any one (1) political party, and four (4) members shall be new motor vehicle dealers and four (4) members shall be used motor vehicle dealers. Of those members of the commission who are new motor vehicle dealers, no more than two (2) shall represent the same automobile manufacturer as a franchise dealer.

(3) (a) Members of the commission qualify by taking the constitutional oath of office which shall, with the certificate of appointment, be evidence of the authority of the member to act.

(b) Each member of the commission shall be entitled to *two* [~~one~~] hundred dollars *($200)* [~~($100)~~] per day for each day actually engaged in the duties of the office, including time spent in necessary travel to and from meetings and otherwise, together with all travel and other necessary expenses incurred while performing official duties.

(4) Upon July 15, 1982, the governor shall appoint two (2) members of the board to serve for a period of one (1) year; three (3) members to serve for a period of two (2) years; and three (3) members to serve for a period of three (3) years. Thereafter, their successors in office shall be appointed by the governor for a term of three (3) years each. One (1) member shall be a representative of an automobile manufacturer. One (1) member shall be a representative of automobile wholesalers. One (1) member shall be a person with no direct financial interest in the industry.

(5) The commission shall hold a regular annual meeting in September of each year and elect a chairman and vice-chairman to serve for the ensuing year. The commission shall have regular meetings as the majority of the members specifies and special meetings at the request of any five (5) members. Reasonable notice of all meetings shall be given as commission rules prescribe. A majority of the commission, including the public member, shall constitute a quorum.

(6) The commission shall employ an executive director who shall be the chief administrative officer of the commission, who shall maintain all minutes of the commission proceedings and who shall be custodian of the files and records of the commission. The executive director shall employ the staff authorized by the commission. The commission may, by interagency contract, utilize assistance of any state agency.

(7) The commission shall deposit all monies received by it from license fees paid under this law with the state treasurer, who shall keep them in a separate fund to be known as the "motor vehicle commission fund." The commission may use this fund for salaries, wages, per diem, professional and consulting fees, grants, loans, contracts, travel expenses, equipment, office rent and expenses and other necessary expenses incurred in carrying out its duties under this section as provided by legislative appropriation. At the close of

each biennium, the unexpended balance remaining in the motor vehicle commission fund shall be transferred to the general fund.

(8) The commission shall administer the provisions of this section, establish the qualifications of manufacturers and dealers, and insure that the distribution and sale of new motor vehicles is conducted as provided herein, and under the commission's rules.

(9) The commission is authorized to issue orders and make determinations as may be necessary to carry out the provisions of KRS 190.010 to 190.080. The orders shall set forth the findings on which the order is based, and the reason for the particular action taken. All orders shall be signed by the chairman or vice-chairman and attested by the executive director.

(10) The commission may hold hearings, administer oaths, receive evidence, issue subpoenas to compel the attendance of witnesses and the production of documents related to the hearing and make findings of fact and decisions in administering the provisions of KRS 190.010 to 190.080 and the rules, orders and other actions of the commission.

(11) The commission may cause legal proceedings to be instituted to enforce the provisions of this section and its rules, orders and decisions. Should it appear from any investigation of a possible violation of any other law or regulation that a violation of the provisions of KRS 190.010 to 190.080 may have occurred, the matter shall be referred to the commission to determine whether proceedings under KRS 190.010 to 190.080 are appropriate. The commission may make contracts and execute instruments necessary or convenient to the exercise of its power or performance of its duties.

(12) The availability of administrative procedures under this section shall not preclude the utilization of other remedies for violation of the provisions of this chapter which are available to the affected parties, including actions for injunctive relief.

Section 9. KRS 190.067 is amended to read as follows:

The department of vehicle regulation shall serve as the [~~administrative and~~] enforcement agency of the commission in all respects and shall perform such services and duties as it may be legally called upon to do. In addition to the other powers granted to the department, it shall have the powers of arrest for violation of the provisions of this chapter. In the event the commission fails to perform any of its official duties within the time prescribed herein, the department may perform said duties and certify its actions to the commission.

Section 10. KRS 190.071 is amended to read as follows:

(1) It shall be a violation of this section for any new motor vehicle dealer:

(a)[~~(1)~~] To require the purchaser of a motor vehicle as a condition of sale and delivery thereof, to also purchase special features, appliances, accessories, or equipment not desired or requested by the purchaser, unless such features, appliances, accessories, or equipment are the type which are ordinarily installed on the vehicle by the manufacturer or distributor when the vehicle is received or acquired by the dealer.

(b)[~~(2)~~] To *advertise, display,* represent or sell as a new or unused motor vehicle any vehicle which has been operated for demonstration purposes, or which is otherwise a used motor vehicle.

(c)[~~(3)~~] To sell or offer for sale as a new or unused motor vehicle any motor vehicle for which he cannot secure for the purchaser thereof such new car warranty as may be extended by the manufacturer of the vehicle to purchasers of one (1) of its new vehicles, unless the fact that the vehicle being sold without a manufacturer's warranty is communicated to the purchaser, and disclosed prominently in writing [~~on the bill of sale~~].

(d)[~~(4)~~] To fail to have an established place of business which is used, or will be used primarily for the purpose of selling, buying, displaying, repairing, or servicing motor vehicles.

(e)[~~(5)~~] To use false or fraudulent representations in connection with the operation of the new motor vehicle dealership.

(f)[~~(6)~~] To fail to reasonably supervise his agents, salesmen, or employes.

(g)[~~(7)~~] To transfer a new motor vehicle with a manufacturer's statement of origin to a motor vehicle dealer who does not have either a valid service agreement or franchise from the particular line make manufacturer, distributor, factory branch or factory representative.

(2) Any motor vehicle dealer who fails to comply with this section or the provisions of KRS Chapter 186, and any motor vehicle dealer other than a wholesale auto dealer who is found by the commission to have acquired a used motor vehicle for cash, trade-in or in any other manner and fails to have the registration transferred to him prior to the time the vehicle is sold or otherwise transferred to another person shall be subject to suspension, fine or revocation of his motor vehicle dealer's license.

Section 11. KRS 190.073 is amended to read as follows:

The [~~department with the approval of the~~] commission *shall* [~~may~~] promulgate appropriate and reasonable regulations for the purpose of carrying out the provisions of this chapter.

Section 12. KRS 190.075 is amended to read as follows:

At the instance of the commission, the department or of any person having any interest in the subject matter, the courts of this state may enjoin any person from violating any of the provisions of this chapter, or any order, rule, regulation or requirement of the *commission* [~~department~~]. The Franklin Circuit Court shall hold concurrent venue with the courts of this Commonwealth of all civil and injunctive actions instituted by the commission [~~or the department~~] for the enforcement of the provisions of this chapter, or the orders, rules, regulations or requirements properly promulgated under this chapter.

Section 13. KRS 190.270 is amended to read as follows:

(1) It is unlawful for any person to advertise for sale, to sell, to use, or to install or to have installed, any device which causes an odometer to register any mileage other than the true mileage driven. For purposes of this section, the true mileage driven is that mileage the vehicle has been driven as registered by the odometer within the manufacturer's designed tolerance.

(2) It is unlawful for any person or his agent to disconnect, reset, or alter the odometer of any motor vehicle with the intent to change the number of miles indicated thereon.

(3) It is unlawful for any person with the intent to defraud to operate a motor vehicle on any street or highway knowing that the odometer of such vehicle is disconnected or nonfunctional.

(4) *The commission shall deny, suspend or revoke the license of any person who violates or causes, aids or abets any violation of this section which denial, suspension or revocation may be in addition to, and not exclusive of, any other penalties provided for elsewhere in this chapter* [~~The department shall establish the following suspension and revocation schedule for dealer and manufacturer violations:~~

~~(a) First court conviction - probation period of one (1) year;~~

~~(b) Second and subsequent court convictions - thirty (30) day suspension per conviction; and~~

~~(c) Eight court convictions - revocation of dealer's license to operate.~~

~~For the purpose of suspension or revocation, if a party is convicted of multiple offenses by the court in a single appearance, said convictions shall be construed by the department as one (1) offense. The revocation and suspension schedule shall be retroactive to offenses committed as of July 1, 1976, unless a dealer or manufacturer has served a suspension or revocation through previous action of the department~~].

Section 14. KRS 190.990 is amended to read as follows:

(1) Any person who violates or causes, aids or abets any violation of any provision of KRS 190.010 to 190.080 or any order, rule or regulation lawfully issued pursuant to authority granted by KRS 190.010 to 190.080 shall be fined not less than *twenty-five* [~~fifteen~~] dollars *($25)* [~~($15.00)~~] nor more than *five* [~~two~~] hundred dollars *($500)* [~~($200)~~], or imprisoned for not more than thirty (30) days, or both. Any person who violates paragraphs (l), (m) or (n) of subsection (1) of KRS 190.040 may also be subject to a suspension or revocation sentence of not more than a year effective only in the territory formerly served by the unfairly canceled dealer, except that in a metropolitan area serviced by several dealers handling the same motor vehicle, the suspension or revocation order shall not be applicable to the remaining dealers.

(2) Any person who willfully and intentionally violates any provision of KRS 190.090 to 190.140 shall be guilty of a misdemeanor and upon conviction shall be punished by a fine not exceeding five hundred dollars ($500).

(3) A willful violation of KRS 190.100 or 190.110 by any person shall bar his recovery of any finance charge, delinquency or collection charge on the retail instalment contract involved.

(4) Any person who willfully violates KRS 190.270 to 190.320 shall be subject to a penalty of five thousand dollars ($5,000) per violation, which may be recovered on behalf of the Commonwealth by the attorney general.

The Committee Amendment No. 1 to **SB 288** is as follows:

Amend printed copy of **SB 288** on page 36, line 9, after the "." by adding the following language:

Section 15. KRS 186.020 is amended to read as follows:

(1) Before the owner of a motor vehicle, other than a motor vehicle engaged in the transportation of passengers for hire operating under a certificate of convenience and necessity, may operate it or permit its operation upon a highway, the owner shall apply for registration in accordance with regulations issued by the cabinet, except that a person who purchases a motor vehicle, or brings a motor vehicle into the Commonwealth from another state shall make application for registration within *fifteen (15)* [~~ten (10)~~] days. The [~~bill of sale or~~] assigned title must be in the motor vehicle during this *fifteen (15)* [~~ten-~~] day period. If the owner of a motor vehicle is an individual and resides in the Commonwealth, the motor vehicle shall be registered with the county clerk of the county in which he resides. If the owner of a motor vehicle does not reside in the Commonwealth, the motor vehicle shall be registered with the county clerk of the county in which the motor vehicle is principally operated. If the owner of a motor vehicle is other than an individual and resides in the Commonwealth, the motor vehicle shall be registered with the county clerk of either such county. The application when presented to the county clerk for *title* [~~registration~~] shall be accompanied by:

(a) A [~~bill of sale and a~~] manufacturer's certificate of origin if the application is for the *title* [~~registration~~] of a new motor vehicle; or

(b) The owner's registration receipt, if the motor vehicle was last registered in this state; or

(c) A bill of sale and the previous registration receipt, if last registered in another state where the law of such state does not require the owner of a motor vehicle to obtain a certificate of title or ownership; or

(d) A certificate of title, if last registered in another state where the law of such state requires the owner of a motor vehicle to obtain a certificate of title or ownership.

(2) (a) After that, the owner of any motor vehicle registered under KRS 186.050(1) shall register his motor vehicle on or before the date on which his certificate of registration expires. If, before operating such motor vehicle in this state, the owner registers it at some later date and pays the fee for the full year, he will be deemed to have complied with the law. Insofar as the owner is concerned, registration with the clerk shall be deemed to be registration with the cabinet.

(b) After that, the owner of any motor vehicle registered under KRS 186.050(2) shall register his motor vehicle on or before March 1 of each year. If, before operating such motor vehicle in this state, the owner registers it at some later date and pays the fee for the full year, he will be deemed to have complied with the law. Insofar as the owner is concerned, registration with the clerk shall be deemed to be registration with the cabinet.

(3) After that, the owner of any commercial vehicle registered under KRS 186.050(3) through (14) shall register his commercial vehicle on or before April 1 of each year. If, before operating such commercial vehicle in this state, the owner registers it at some later date and pays the required fee, he will be deemed to have complied with the law. Insofar as the owner is concerned, registration with the clerk shall be deemed to be registration with the cabinet. *If the motor vehicle is a truck designed for the transportation of property, the application forms shall contain space for the declared gross weight in pounds. The declared gross weight shall be the weight of the vehicle and the heaviest load that the vehicle will be used to carry at any time on the highways.*

(4) The application and documents presented therewith, including the sheriff's certificate of inspection, shall be affixed to the transportation cabinet copy of the certificate of title or registration and sent to the transportation cabinet by the clerk.

Section 16. KRS 186.040 is amended to read as follows:

(1) Upon receiving the application and fee, the county clerk shall issue to the owner a certificate of registration [~~and ownership~~] containing the information required by subsection (2) *of this section* and a registration plate. If the cabinet finds that there is a shortage of materials suitable for making plates, or that a substantial saving will result, it may require by regulation with the approval of the governor that previously issued plates continue to be used for a designated period. For services performed the owner shall pay the county clerk the sum of two dollars ($2.00) for each registration.

(2) The certificate of registration [~~and ownership~~] shall contain the registration number, the names and post office addresses of the owner [~~and the secured party as shown by the financing statement on file in the office of the county clerk~~] and such other information as the cabinet may require. [~~The owner's copy of such certificate shall bear the seal of the county clerk who issued same. No fee shall be charged for placing such seal on the owner's copy of the certificate.~~

~~(3) If a motor vehicle, other than a new motor vehicle, is registered in this state under the authority of a bill of sale, registration receipt or title, the certificate of registration and ownership shall show the title or the registration number and the name of the state issuing same under which the motor vehicle was last registered in addition to the other required information.~~]

Section 17. KRS 186.045 is amended to read as follows:

(1) Financing statements relating to vehicles required to be registered in Kentucky by the county clerk shall be filed in the office of the county clerk of the county in which the debtor resides or, if the debtor is a nonresident, in the office of the county clerk in which the vehicle is principally operated.

(2) [~~(a)~~] Whenever a financing statement required by KRS Chapter 355 relating to any vehicle *titled* [~~registered~~] or required to be *titled* [~~registered~~] in Kentucky [~~for use on the highway~~] is presented to a county clerk for filing, such clerk shall also immediately note information required by the cabinet relative *to KRS 186A.190* [~~thereto on the owner's copy of the certificate of registration and ownership or transfer receipt issued for the current registration period as noted in subsection (2) of KRS 186.170, which the secured party must obtain and present to the county clerk,~~] along with the financing statement, within fifteen (15) days, exclusive of Sundays and holidays, after execution of the security agreement. [~~The clerk shall also note such information on the clerk's copy of the certificate of registration and ownership or transfer receipt maintained in his office in numerical order.~~] The clerk noting the information on the owner's *title* [~~copy of the certificate of registration and ownership or transfer receipt~~] shall return such *title* [~~receipt~~] to the owner within five (5) days after making such notation. For filing the financing statement, the clerk shall collect a fee pursuant to KRS 64.012 from the secured party and, in addition, for noting the security interest on the required *title* [~~receipts~~], the clerk shall collect from the secured party a fee pursuant to KRS 64.012 for each additional motor vehicle included on the financing statement.

[~~(b) Whenever a financing statement affecting a vehicle is presented to a county clerk for filing in any county other than the one in which the current receipt was issued, the county clerk shall, in addition to the other requirements of this section, mail a notice of the security interest on a form furnished by the cabinet to~~

~~the clerk of the county in which the current receipt was issued. Upon receipt of said notice, the county clerk shall attach it to the copy of the current receipt on file, maintained in numerical order, in the county clerk's office and note the security interest on the clerk's copy of the receipt.~~]

(3) For failure to present [~~both~~] the [~~current receipt and~~] financing statement within the time prescribed by subsection (2)[~~(a)~~], the secured party shall pay a penalty of two dollars ($2.00) to the county clerk as a prerequisite for noting the security interest on the *title* [~~current receipt~~].

(4) Whenever a perfected security interest is assigned, the assignor shall immediately give a statement of assignment to the assignee and at the same time deliver another copy of such statement to the debtor. The assignee shall, within thirty (30) days thereafter, present a copy of the statement of assignment to the county clerk in whose office the financing statement is on file. Upon receipt of the assignment, the county clerk shall mark the same as provided in subsection (2) of KRS 355.9-405 and attach it to the original financing statement. For this service the county clerk shall collect a fee pursuant to KRS 64.012.

(5) Whenever a security interest has been discharged, other than by proceedings under KRS 355.9-501 through 355.9-507 or similar proceedings, the secured party shall, within fifteen (15) days thereafter, deliver a termination statement in the manner required by KRS 355.9-404 to the county clerk of the county in which the financing statement is filed. For failure to file the termination statement within the allowable time, the secured party shall be subject to the penalty provided in KRS 186.990(1). Within five (5) days after the receipt of such documents, the county clerk shall note the filing in the index and[~~, in addition, note on the clerk's copy of the current receipt maintained in his office in numerical order,~~] in language prescribed by the cabinet that the termination statement has been filed. Upon presentation of the owner's *title* [~~copy of the receipt~~] showing such security interest, the clerk shall also note on such *title* [~~receipt~~] that the termination statement has been filed and place the seal of the county clerk thereon. The clerk shall return the owner's *title* [~~receipt~~] to the owner. The county clerk shall remove the financing statement from his files, mark "terminated" thereon and send or deliver it to the secured party along with any continuation statement, statement of assignment or statement of release pertaining thereto. The county clerk shall then file the termination statement in the place from which the financing statement was removed. Termination statements must be retained in the clerk's files for a period of two (2) years subsequent to the date of filing such statement, at which time they may be destroyed. No fee shall be collected for these services by the clerk. Once a security interest has been noted on the owner's *title,* [~~copy of a certificate of registration and ownership or transfer receipt,~~] no subsequent *title* [~~certificate of registration and ownership or transfer receipt~~] may be issued by any county clerk free of such notation unless the owner's *title* [~~copy of the current receipt~~] is presented to the clerk and it has *been* noted thereon by the proper county clerk that the termination statement therefor has been filed. If this requirement is met, information relating to any security interest shown on the *title* [~~receipt~~] as having been terminated may be omitted from the *title* [~~receipt~~] to be issued by the clerk.

(6) Whenever any secured party repossesses a vehicle *titled in this state,* [~~registered with a county clerk,~~] for which a financing statement has been filed, and disposes of such vehicle pursuant to the provisions of KRS Chapter 355, he must present, within fifteen (15) days after such disposition, an affidavit in form prescribed by the department and a termination statement or proof that such termination statement has been filed. The new owner shall pay all applicable fees for *titling* [~~registering~~] and transferring the vehicle to the county clerk. Upon receipt of such documents, the county clerk who issued the *lien* [~~current receipt~~] shall then omit from the *title* [~~certificate of registration and ownership or transfer receipt~~] he *makes application for* [~~issues~~] any information relating to the security interest under which the vehicle was repossessed or any security interest subordinate thereto. However, any security interest, as shown by such *title,* [~~clerk's copy of the current receipt,~~] which is superior to the one under which the vehicle was repossessed, must be shown on the *title application* [~~receipt issued by the clerk~~] unless the prior secured party has terminated such security interest in such clerk's office or proof of termination is submitted in case such prior security interest was discharged in another clerk's office.

(7) Whenever any vehicle brought into this state is required to be *titled in this state* [~~registered with a county clerk~~] and such vehicle is then subject to a security interest in another state as shown by the out of state documents presented to the clerk, the county clerk is prohibited from *processing the application for title on* [~~registering~~] the vehicle unless the owner obtains from the secured party a financing statement and presents same to the clerk along with all fees due. Such a financing statement must conform to the requirements of subsection (3) of KRS 355.9-402. The clerk shall note the out of state security interest on the *application for title* [~~new registration receipt and on the clerk's copy thereof~~]. This provision does not apply to vehicles required to be registered in Kentucky under forced registration provisions under KRS 186.145. The penalty provided in subsection (3) of this section shall not apply to this subsection.

(8) The fees provided for in this section are in addition to any state fee provided for by law.

(9) Any person violating any provision of this section or any person refusing to surrender a *title* [~~certificate of registration and ownership or transfer certificate~~] upon request of any person entitled thereto, is subject to the penalties provided in subsection (1) of KRS 186.990.

(10) The county clerk is prohibited from filing any financing statement on any vehicle subject to the provisions of this section if a *title* [~~certificate of registration and ownership or transfer receipt~~] therefor is

presented to him which has all the spaces provided thereon for noting security interests fully exhausted. The owner must see to it that a termination statement is filed for each discharged security interest and then a duplicate *title* [~~receipt~~] as provided for in KRS *186A.180* [~~186.180~~] must be obtained from the clerk by the owner of the vehicle.

(11) Security interests in vehicles sold to or owned by residents of other states must be perfected in the state of such nonresident and repossession of the vehicle must be taken pursuant to the laws of such state, unless the vehicle is principally operated in Kentucky and is properly *titled* [~~registered~~] herein under KRS *186A.065* [~~186.020~~] and the security interest is authorized to be filed with the county clerk under KRS 355.9-401. [~~However, a security interest on any vehicle which is not used on the public highways and for that reason is not required to be registered for highway use may be filed with the county clerk as otherwise permitted under KRS Chapter 355.~~]

Section 18. KRS 186.047 is amended to read as follows:

Whenever any financing statement lapses under the provisions of KRS 355.9-403, the county clerk of the county in whose office the financing statement is filed shall, *upon presentation of the owner's certificate of title,* note on the *certificate of title* [~~clerk's copy of current registration or transfer receipt~~] that such financing statement has lapsed. [~~Upon presentation of the owner's copy of the current registration or transfer receipt, the aforementioned clerk shall make the same notation thereupon and~~] Thereafter any clerk may omit information regarding the lapsed financing statement from any new *certificate of title* [~~registration or transfer receipt~~] issued for the motor vehicle.

Section 19. KRS 186.076 is amended to read as follows:

The transportation cabinet may revoke the license of any motor vehicle dealer who acquires a used motor vehicle for cash, trade-in, or in any other manner, and fails to *comply with the requirements of KRS 186A.220* [~~have the registration transferred to him prior to the time the vehicle is sold or otherwise transferred to another person, or within ten (10) days after acquired, whichever may be sooner~~]. Such person shall be afforded a full opportunity to defend himself against any such charge under rules and regulations adopted by the transportation cabinet governing the procedure for such revocation action. Provided, however, That such dealer shall have the right to appeal any order of revocation entered by the transportation cabinet to the Kentucky board of tax appeals as provided by law.

Section 20. KRS 186.145 is amended to read as follows:

Any motor vehicle properly registered and titled in another state belonging to a nonresident, which vehicle is required to be registered in this state by reason of lack of reciprocal agreement with the state in which it is registered, or by reason of not qualifying for reciprocity under an existing reciprocal agreement with the state in which it is registered, may be registered with the county clerk by presenting a photostat or certified copy of the registration receipt or certificate of title issued to the nonresident in his home state. [~~The registration receipt issued by the county clerk shall be stamped across its face with a notation prescribed by the cabinet that will indicate the registration receipt so issued cannot be used in transferring legal title to the motor vehicle. However, under regulations prescribed by the cabinet, a registration receipt so issued may be transferred to a new owner if the foreign legal title and registration is transferred in that state to the new owner.~~] Nothing contained in this section shall release the owner of the vehicle from any tax fees or other requirements imposed by law.

Section 21. KRS 186.160 is amended to read as follows:

No clerk shall receive an application for registration nor register a motor vehicle, unless the motor vehicle bears a motor number or a vehicle identification number. If there is no motor number or vehicle identification number, or if the number is not plainly legible, the owner shall apply through the clerk to the transportation cabinet for a motor number or vehicle identification number, and when that number is assigned to the owner's motor vehicle the owner shall cause the number to be stamped on the motor with a steel die or in the space provided by manufacturer for vehicle identification number. That number shall thereafter be used by the owner in making registration or *an application for title* [~~executing a bill of sale.~~]

Section 22. KRS 186.190 is amended to read as follows:

(1) Whenever a motor vehicle that has been previously registered changes ownership, the registration plate shall remain upon such motor vehicle as a part of it until the expiration of the registration year.

(2) [~~No person shall purchase, sell or trade any motor vehicle without delivering to the county clerk of the county in which the sale or trade is made the current registration receipt issued on the motor vehicle and the bill of sale.~~

~~(3)~~] Upon delivery of the *certificate of title* [~~registration receipt and the bill of sale~~] to the county clerk of the county in which the sale or trade was made, the seller shall pay to the county clerk a transfer fee of one dollar ($1.00), which shall be remitted to the transportation cabinet. The county clerk shall thereupon issue to the purchaser a [~~transfer of~~] registration bearing the same data and information as contained on the original registration receipt, except the change in name and address. The seller shall pay to the county clerk a fee of two dollars ($2.00) for his services.

[~~(4) Whenever a county clerk issues to a purchaser a transfer of registration in a county other than~~

~~the one in which the motor vehicle was originally registered, the clerk shall immediately mail one (1) copy of the transfer of registration to the clerk of the county of original registration.~~]

(3)[~~(5)~~] If the owner junks or otherwise renders a motor vehicle unfit for future use, he shall deliver the registration plate, *title* and registration receipt to the county clerk of the county in which the motor vehicle is junked. The county clerk shall immediately return the plate, *title* and *registration* receipt to the transportation cabinet. The owner shall pay to the county clerk fifty cents (50) for his services.

(4)[~~(6)~~] A licensed motor vehicle dealer shall not be required to pay the transfer fee provided by this section, but shall be required to pay the county clerk's fee provided by this section.

(5)[~~(7)~~] The registration receipt issued by the clerk under this section shall contain information as required by the department of vehicle regulation.

Section 23. KRS 186.655 is amended to read as follows:

(1) Before any owner or operator of a trailer, semitrailer, mobile home or recreational vehicle may operate or permit the operation of such vehicles upon the highways, the owner shall apply for registration to the county clerk of the county in which he resides or in which such vehicles are principally operated. The application shall be retained by the clerk and shall be accompanied by:

(a) A manufacturer's certificate of origin, if the application is for the registration of a new trailer, semitrailer, mobile home or recreational vehicle; or

(b) The owner's *certificate of title* [~~registration receipt~~], if the trailer, semitrailer, mobile home or recreational vehicle was last *titled* [~~registered~~] in this state; or

(c) A bill of sale and the previous registration receipt, if last registered in another state where the law of such state does not require the owner of a trailer, semitrailer, mobile home or recreational vehicle to obtain a certificate of title or ownership; or

(d) A certificate of title, if last registered in another state where the law of such state requires the owner of a trailer, semitrailer, mobile home or recreational vehicle to obtain a certificate of title or ownership; or

(e) Affidavit from the owner of a trailer, semitrailer, mobile home or recreational vehicle assembled or constructed for his personal use on the highways; or

(f) Affidavit from the owner of a trailer, semitrailer, mobile home or recreational vehicle where the bill of sale for such vehicle has been lost, destroyed or stolen.

(2) The affidavit required in paragraph (e) *of subsection (1) of this section* shall contain the owner's name, address, date, brief description and a statement that the trailer was constructed by the owner for use on the highways and any additional information that the cabinet may from time to time prescribe by regulation.

(3) The affidavit required in paragraph (f) *of subsection (1) of this section* shall contain the owner's name, address, date, make, year made, serial or identification number, from whom purchased, date of purchase, that the person making the affidavit is the sole owner, the circumstances under which the bill of sale was lost, destroyed or stolen, and any additional information that the cabinet may from time to time prescribe by regulation.

(4) After that, he shall register his trailer, semitrailer, mobile home or recreational vehicle on or before April 1 of each year. Insofar as the owner is concerned, registration with the clerk shall be deemed to be registration with the cabinet.

(5) No county clerk or other officer shall issue any license tags to the owner of any mobile home or recreational vehicle when it is offered for registration in this state, unless the owner presents a tax receipt from the seller verifying that the Kentucky sales tax has been paid. If the owner is unable to present such evidence of payment of tax, he shall furnish to the clerk a bill of sale indicating the purchase price of the mobile home or recreational vehicle on which price the sales tax shall be assessed. If he cannot furnish a bill of sale indicating the purchase price, the clerk shall assess the value in accordance with information prescribed by the department of revenue. The clerk shall collect the tax, deduct a fee of five percent (5%) of the amount collected and remit the balance to the department of revenue.

Section 24. KRS 186.990 is amended to read as follows:

(1) Any person who violates any of the provisions of KRS 186.020, [~~186.030,~~] 186.040, 186.045(5), 186.050, 186.056, 186.060, 186.070, 186.110, 186.130, 186.140, 186.150, 186.160, 186.170, 186.180, 186.210, 186.230, or 186.655 to 186.680 shall be fined not less than twenty dollars ($20.00) nor more than one hundred dollars ($100) for each offense.

(2) Any person who violates any of the provisions of KRS 138.465 *or*[~~,~~] 186.190[~~, or 186.200~~] shall be fined not less than twenty dollars ($20.00) nor more than two thousand dollars ($2,000) or imprisoned for not more than one (1) year, or both.

(3) Unless another penalty is provided by law, any person who violates any of the provisions of KRS 186.400 to 186.640 shall be fined not less than twelve dollars ($12.00) nor more than five hundred dollars ($500) or imprisoned for not more than six (6) months, or both.

(4) Any clerk or judge failing to comply with subsection (1) of KRS 186.550 shall be subject to a penalty of one hundred dollars ($100) which shall accrue to the state and may be recovered with costs of the suit in a civil action brought by the cabinet.

(5) If it appears to the satisfaction of the trial court that any offender under KRS 186.400 to 186.640 has a driver's license but in good faith failed to have same on his or her person or misplaced or lost same, the court may, in its discretion, dismiss the charges against the defendant without fine, imprisonment or cost.

(6) Any person who steals a motor vehicle registration plate shall be guilty of a felony and shall be confined in the penitentiary for not less than one (1) nor more than five (5) years. Displaying a canceled registration plate on a motor vehicle shall be prima facie evidence of guilt under this section.

(7) [~~Any person who violates the provisions of KRS 186.1911 shall be guilty of a Class A misdemeanor.~~

~~(8)~~] Any person who makes a false affidavit to secure a license plate under KRS 186.172 shall be fined not less than one hundred dollars ($100) nor more than five hundred dollars ($500) or imprisoned for a period of six (6) months.

Section 25. KRS 186A.025 is amended to read as follows:

(1) (a) The *department of vehicle regulation* [~~finance and administration cabinet~~] shall have full responsibility and authority for day-to-day administration of the automated system described by this chapter; and

(b) May request the assistance of any cabinet or department of state government in carrying out its responsibilities under this chapter.

(2) The department of information systems shall assure, to the extent feasible, twenty-four (24) hour, year-round information support to the department of state police, and to other law enforcement agencies state and nationwide, regarding vehicles registered and, when required, titled in this state.

(3) All expenses and costs related to the AVIS system shall be paid out of general fund dollars generated from ad valorem tax revenues. All unexpended appropriations for AVIS shall not lapse at the end of each fiscal year.

Section 26. KRS 186A.060 is amended to read as follows:

The department of vehicle regulation is directed to develop, in cooperation with county clerks, auto dealers, and the departments of revenue and insurance and the department of state police, a [~~combined~~] vehicle *title application* [~~transaction record~~] form to permit, to the extent feasible, the recording of all information pertinent to the initial registration, or titling and taxation, or transfer of registration or title of a vehicle. The form shall be utilized by all applicable parties in connection with the registration, or titling of a vehicle in this state. The form shall have at least the following characteristics:

(1) An appropriate heading or title.

(2) A statement that the information required by the first or original of the form must be legibly printed in dark blue or black, permanent photoreproducing ink or indelible pencil, or typed in black, except as to signatures, which shall be originally signed in dark blue or black photoreproducing ink.

(3) A statement, prominently printed in boldface type, that any person who knowingly enters, or attests to the entry of, false or erroneous information upon the form shall be subject to the penalties of forgery in the second degree.

(4) [~~A seller or transferor section containing space for the seller or transferor's full legal name, mailing address and telephone number, including telephone area code, and if the seller or transferor is a motor vehicle dealer licensed in this state, a space for recording the dealer license number.~~

~~(5)~~] An owner or buyer section, containing space for the owner or buyer's full legal name, mailing address, social security account number, or, if the owner is other than a person, its state or federal employer identification number, telephone number including telephone area code, and owner's birth month.

(5)[~~(6)~~] A vehicle description section with space for the vehicle identification number, and if the vehicle is a motorcycle, a motor number; the make; model name; model number; year model; number of cylinders; style of body; and spaces for designating two (2) colors, single or upper, and lower; and, if the vehicle is a truck, its gross weight.

[~~(7) A section with spaces for recording prior registration and title information to include the previous owner's name, the state in which a vehicle was last registered or titled, and the title number, registration number, and year.~~

~~(8) An odometer disclosure section containing all information elements required by applicable federal law, except that, the language of the section shall incorporate by reference the transferor's address, the vehicle description, date of the statement and the transferee's name, address and acknowledgment, which shall appear on the same form, although not necessarily within the same section. Such section shall be imprinted with the warning that knowingly giving false or erroneous information is subject to the penalty of forgery in the second degree.~~

~~(9) A transferor's lien declaration section, containing the necessary means to obtain the following information: I —— warrant that the vehicle described above is not subject to an unterminated lien in the name of a prior owner.~~]

(6)[~~(10)~~] A tax computation section for both new and used cars, consistent with requirements of the department of revenue.

[~~(11) A section for the seller or transferor's certificate of truth and accuracy of the information. The~~

~~section shall be printed in boldface type and shall read: I ---- (typed or printed name) hereby certify under penalty of forgery in the second degree and applicable federal and state law and regulations that the foregoing information upon this form is true and correct to the best of my knowledge and belief. ---- (signature).~~

~~(12) This language shall be followed by the words and spaces required for a notarial certificate.~~]

(7)[~~(13)~~] An owner or transferee's lien declaration section, containing the necessary means to obtain the following information: I, -----, (owner, transferee), have not applied for a loan in connection with the vehicle described above, and do not expect to do so within thirty (30) days of submission of this application to the county clerk.

(8)[~~(14)~~] A lien information section containing the necessary elements to obtain the following information:

(a) This vehicle shall be subject to lien or liens, not exceeding two (2), in the name of the applicant, owner or transferee;

(b) Spaces for recording as to a first and second lien, the lienholder's name and mailing address, including zip code; and county in which the financing statement is to be filed;

(c) A statement as to whether a loan has been or will be applied for in connection with the vehicle, and whether a financing statement is expected to be filed within thirty (30) days of submission of this application to the county clerk.

(9)[~~(15)~~] A section for an owner's request for issuance of a regular or special plate.

(10)[~~(16)~~] A section for an owner's request for registration of a vehicle under a special fee classification.

(11)[~~(17)~~] A section for the owner's statement of application for registration or a certificate of title. The section shall state: I ----- (typed or printed name) hereby apply for registration of the vehicle described above, for a license plate of the type indicated, or a certificate of title. If I have requested that the vehicle be registered under a special use classification provided by statute, I certify that the vehicle will be operated consistent with the registration classification I have indicated. I certify under penalty of forgery in the second degree that the information I have supplied is true and correct to the best of my knowledge and belief, followed by a space for the owner's signature. This language and space shall be followed by the words and spaces required for a notarial certificate.

[~~(18) A section for the certified vehicle inspector's certificate of inspection of a vehicle which shall include words and spaces as indicated: I ---- (printed or typed name and title) of ---- (printed or typed county) ---- (telephone area code and telephone number), do hereby certify under penalty of forgery in the second degree that I have personally and physically inspected the vehicle described above, together with this application and its supporting documents, and the vehicle is as described hereon; the documents supporting this application are consistent with the vehicle description, including the vehicle identification numbers appearing upon this application, and that the vehicle identification number displayed upon the vehicle and supporting documents appear to be in order. The odometer reading at the time of my inspection was ---- miles/kilometers (circle one). The driver's license number of the owner is ----, state of ----. I hereby certify under penalty of forgery in the second degree that the information I have given is true and correct to the best of my knowledge and belief. ---- (signature) ---- (date).~~]

(12)[~~(19)~~] County clerk's section with words and spaces as appropriate, requiring the county clerk to:

(a) Enter the type, name of the issuer, identifying number and date of issue, of the document supporting the application, together with its document control number (as distinguished from title number) and the taxes and fees to be collected, including the number of months of registration sold, the month and year of expiration, and such decal numbers as may be required to permit audit of fee collections;

(b) Words requiring, and spaces for entry of, the name of the county in which the application was received together with the date and time of receipt, and space for the signature of the clerk or deputy, which shall be preceded by the words "I certify under penalty of forgery in the second degree that I have reviewed this application and the documents supporting it; all supporting documents indicated hereon are present and consistent in pertinent part with this application, that I received the application on the date and at the time indicated hereon, and that I collected the fees as indicated." ----- (signature of clerk or deputy clerk, date, county).

(13)[~~(20)~~] A statement that "I certify under penalty of forgery in the second degree that this record was entered with due diligence into the automated system by me at or about ----- (time) ----- (date) ----- (signature) ----- (title)."

(14)[~~(21)~~] Spaces for stamping [~~the date and time of receipt of the application by the department of vehicle regulation and for~~] the signature or prescribed symbol of the receipt clerk and for endorsements by processing clerks.

(15)[~~(22)~~] A space for endorsement that title issuance was recommended to the department of vehicle regulation ----- (date, time) by ----- (signature) which shall be preceded by the words "I certify under penalty of forgery in the second degree that due diligence has been exercised in recommending issuance of title [~~No. ----~~] in the name of the applicant for the vehicle described above" ----- (signature, date).

(16)[~~(23)~~] The form may contain or require any other information deemed appropriate by the department of vehicle regulation in cooperation with the departments of revenue and insurance and the department of state police, and may be organized as efficiency dictates.

Section 27. KRS 186A.115 is amended to read as follows:

(1) Except as otherwise provided in this section, the owner of every vehicle brought into this state and required to be titled in this state shall, before submitting his application for title to the county clerk, have the vehicle together with his application for title *and/or* [~~and~~] its supporting documents inspected by a certified inspector in the county in which the application for title is to be submitted to the county clerk.

(a) The certified inspector shall be certified through the department of vehicle regulation following requirements set forth by the department by regulation and shall be designated by the county sheriff. The certified inspector will be held responsible for all certifications required pursuant to this chapter and will be liable for any and all penalties prescribed in this chapter, and shall be available during regular office hours at any and all offices and branches that issue applications for titles.

(b) *The department of vehicle regulation shall develop a form for use when certified inspection of a motor vehicle is required. The form for the certified vehicle inspector's certificate of inspection of a vehicle shall include words and spaces as indicated: I ----- (printed or typed name and title) of ----- (printed or typed county) ----- (telephone area code and telephone number), do hereby certify under penalty of forgery in the second degree that I have personally and physically inspected the vehicle described hereon, together with its supporting documents, and the vehicle is as described; the documents supporting the vehicle are consistent with the vehicle description, including the vehicle identification numbers appearing upon this certification, and that the vehicle identification number displayed upon the vehicle and the supporting documents appear to be in order. The odometer reading at the time of my inspection was ----- (miles/Kilometers). The individual or company seeking inspection is -----. I hereby certify under penalty of forgery in the second degree that the information I have given is true and correct to the best of my knowledge and belief. ----- (Signature) ----- (Date).*

(c) The form may contain or require any other information deemed appropriate by the department of vehicle regulation, and may be organized as efficiency dictates.

(d) There shall be a three dollar ($3.00) fee for this certification, payable to the sheriff's office, upon completion of certification.

(e)[~~(c)~~] There shall be an additional fee of seven dollars ($7.00) per trip when it becomes necessary for the certified inspector to travel to the site of the vehicle rather than bringing the vehicle to the sheriff's inspection area.

(2) The following vehicles are excluded from the requirement of inspection by a certified inspector prior to titling in this state:

(a) New motor vehicles sold by a dealer licensed in this state;

(b) Vehicles required to be registered in this state by reason of lack of a reciprocity agreement with another state and for which a non-negotiable registration document is to be issued; and

(c) Motor vehicles operated by a motor carrier under a non-negotiable certificate or permit issued by the department of vehicle regulation;

(d) Motor vehicles owned by servicemen or servicewomen who are residents of Kentucky stationed outside of Kentucky, may be inspected by the post provost or similar officer of the camp, post or station. The post provost or similar officer shall submit an affidavit stating the name of the owner, the identification or serial number, the make, body style, current license or title number, if any, and state in which currently registered or titled, if any, of the motor vehicle.

(3) When presented to a certified inspector for inspection or to a county clerk for processing, the owner's application for a first certificate of registration or title in his name, shall be accompanied by one of the following documents as applicable:

(a) If the vehicle is a new vehicle not previously registered in this state, the properly assigned manufacturer's statement of origin for the vehicle for which registration or title is sought;

(b) If the vehicle was last registered in this state, and is a vehicle for which a title is not required in this state, a certificate of registration, or if the vehicle is one for which a certificate of title is required in this state, the properly assigned certificate of title;

(c) If the vehicle was last previously titled in another state, a properly assigned certificate of title;

(d) If the application refers to a vehicle previously registered in another country, the documents of that country establishing ownership of the vehicle;

(e) If the application refers to a vehicle last previously registered in another country by a person on active duty in the armed forces of the United States, the county clerk may accept on behalf of the department of vehicle regulation evidence of ownership provided the applicant by the United States department of defense;

(f) If the application relates to a vehicle which has been specially constructed or reconstructed, that fact shall be stated in the application, and the application shall be accompanied by such documents as are specified by administrative regulations of the department of vehicle regulation.

(4) When requested to inspect a vehicle pursuant to this section, the certified inspector shall personally and physically inspect the vehicle when registration or title is sought in this state, together with the *application for title* [~~vehicle transaction record~~], *or* [~~and~~] its supporting documentation, on the following points:

(a) He shall ensure that the *application for title* [~~vehicle transaction record~~] and each of its copies are legible and properly executed to the extent required at the time of execution;

(b) He shall compare the vehicle identification number as appearing on both the vehicle identification number plate, and the federal safety standards label of the vehicle which is sought to be registered or titled, with the corresponding number inscribed on the *application for title* [~~vehicle transaction record~~], *or* [~~and~~] its supporting documentation, and ensure that the vehicle identification number appearing at each described location appears legitimate and that they are consistent with each other;

(c) He shall examine the primary odometer of the vehicle and legibly record the reading in the space provided in the inspection section of the *inspection form* [~~transaction record~~]; and

(d) After exercising due diligence in inspecting the vehicle, the *application for title* [~~vehicle transaction record~~], *or* [~~and~~] its supporting documentation, and finding that they appear to be in order, the certified inspector shall execute the preprinted certificate of inspection according to its terms by printing in the spaces provided, his first name, middle initial and last name, and his title, the name of the county in which he serves and the telephone number including the telephone area code of his agency, and sign in ink his signature in the space provided, and print the month, day and year in which his inspection was made, certifying under penalty of forgery in the second degree the character, accuracy and date of his inspection.

(5) The certified inspector shall refrain from executing the certificate of inspection if:

(a) He has not personally and physically inspected the vehicle in accordance with this section;

(b) He has reason to believe that the vehicle displays an unlawfully altered vehicle identification number;

(c) [~~The vehicle transaction record and any of its copies are illegible or otherwise improperly executed, or contain information reasonably believed to be inaccurate or fraudulent;~~

~~(d)~~] The documentation required in support of any application is not present, or not consistent with the vehicle and the owner's application or appears fraudulent; or

(d)[~~(e)~~] He has probable cause to believe the vehicle is stolen.

Section 28. KRS 186A.215 is amended to read as follows:

(1) If an owner transfers his interest in a vehicle, he shall, at the time of the delivery of the vehicle, execute an assignment and warranty of title, *including the odometer disclosure statement thereon* to the transferee in the space provided therefor on the certificate of title, *which language and space shall be followed by the words and spaces required for a notarial certificate* [~~and execute the applicable portions of the vehicle transaction record provided for by this chapter,~~] and cause the [~~vehicle transaction record with the~~] certificate of title [~~attached~~] to be delivered to the transferee.

(2) Except as otherwise provided in this chapter, the transferee shall, promptly after delivery to him of the vehicle, execute the application for a new certificate of title and registration by executing the applicable portions of the *application for title* [~~vehicle transaction record~~] provided to him by his transferor *or by any county clerk's office. Any unexpired registration shall remain valid upon transfer of said vehicle to the transferee.*

(3) The *application for title* [~~vehicle transaction record~~] with its supporting documentation attached shall promptly be submitted to the county clerk as provided in KRS 186A.115, together with the required fees.

(4) This section shall not apply to a motor vehicle which has had the title surrendered to a county clerk or a hulk vehicle. Hulk vehicle shall mean a motor vehicle or part thereof that is:

(a) In a rusted, wrecked, discarded, worn out, extensively damaged, dismantled and mechanically inoperative condition; or

(b) Of an apparent value of less than two hundred dollars ($200).

Section 29. KRS 186A.220 is amended to read as follows:

(1) Except as otherwise provided in this chapter, when any motor vehicle dealer licensed in this state buys or accepts such a vehicle in trade, which has been previously registered or titled for use in this or another state, and which he holds for resale, he shall not be required to obtain a certificate of title for it, but shall within fifteen (15) days after acquiring such vehicle, notify the county clerk of the assignment of the motor vehicle to his dealership and pay the required transferor fee.

(2) Upon purchasing such a vehicle or accepting it in trade, the dealer shall obtain from his transferor, a properly executed [~~vehicle transaction record, to include the odometer disclosure statement thereon, together with a properly assigned~~] certificate of title, *to include the odometer disclosure statement thereon.*

(3) The dealer shall execute his application for assignment upon documents designated by the department of vehicle regulation, to the county clerk of the county in which he maintains his principal place

of business. Such clerk shall enter the assignment upon the automated system.

(4) The dealer shall retain the properly assigned certificate of title received from his transferor, and may make any reassignments thereon until the forms for dealer assignment on the certificate of title are exhausted. The department of vehicle regulation may, if it deems it warranted, provide a special document to allow for additional dealer assignments without requiring system generated documents.

(5) When he assigns the vehicle to a purchaser for use, he shall deliver the properly assigned certificate of title[~~, and a properly executed vehicle transaction record,~~] to such purchaser, who shall make application for registration and a certificate of title [~~thereon~~].

(6) The department of vehicle regulation shall assure that the automated system is capable of accepting instructions from the county clerk that a certificate of title shall not be produced under a dealer registration situation.

Section 30. KRS 431.451 is amended to read as follows:

(1) Offenses for which citations may be issued and for which the minimum fine may be prepaid are: KRS 150.170, 150.175, 150.237, 150.280, 150.290, 150.305, 150.320, 150.340, 150.370, 150.400, 150.410, 150.412, 150.440, 150.445, 150.450, 150.470, 150.660, 150.993, 186.020, 186.050, 186.070, 186.190, 189.020, 189.025, 189.030, 189.040, 189.045, 189.050(1)(2), 189.055, 189.060, 189.070, 189.080, 189.090(1)(2)(3), 189.095, 189.100, 189.110, 189.120, 189.130, 189.140, 189.150, 189.160, 189.170, 189.190, 189.205, 189.231, 189.285, 189.290, 189.300, 189.310, 189.330, 189.338, 189.340, 189.350, 189.375, 189.380, 189.390, 189.430, 189.450, 189.470, 189.480, 189.550, 189.560, 189.570, 189.580(2), 189.820, and 189.940(5).

(2) Offenses for which citations may be issued but for which no prepayment of the fine may be made are: KRS 138.570, 138.630, 138.665, 177.230, 177.300, 186.052, 186.053, 186.170, [~~186.200,~~] 186.210, 186.410, 186.450, 186.510, 186.540, 186.600, 186.610, 186.620, 186.630, 187.990(2), 189.050(3)(4), 189.090(4), 189.221, 189.222, 189.223, 189.224, 189.270, 189.370, 189.393, 189.500, 189.505, 189.520, 189.530, 189.565, 189.580, 189.751, 189.920, 189.930, 189.950, 281.615, 281.720, 281.726 and 281.804.

Section 31. The following KRS sections are repealed:

186.025 Department to furnish list of owners of registered vehicles to department of revenue.
186.030 Form of application.
186.030 Form of application.
186.051 Year-round registration system -- Department may designate separate registration years.
186.1911 Replacement of vehicle identification number.
186.200 Contents of bill of sale.
186.670 Application blanks -- Registration receipt and plate.
186A.075 Motor vehicle titles -- When to be effective -- Governor may extend effective date by executive order.

The Committee Amendment No. 2 to **SB 288** is as follows:

Amend printed copy of **SB 288** on page 27, line 12, after the word "*to*" by deleting the word "*two*" and by removing the brackets and strike throughs from around the word "one"; and

On page 27, line 12, after the word "dollars" by deleting "*($200*" and by removing the brackets and strike throughs from around "($100)"

The Committee Amendment No. 3 to **SB 288** is as follows:

Amend printed copy of **SB 288** on page 26, line 19, after the word "of" by inserting the word "*fifteen (15)*" and by placing brackets around the word "twelve (12)" and striking through the same; and

On page 26, line 20, after the word "members," by inserting the word "*fourteen (14)*" and by placing brackets around the word "eleven (11)" and striking through the same; and

On page 26, line 21, after the word "and" by inserting "*of those members no more than two (2) members shall reside in the same*" and placing an opening bracket in front of the word "each" and by placing a closing bracket after the word "separate" and striking through all language between the brackets; and

On page 26, line 25, after the word "than" by inserting the word "*eight (8)*" and by placing brackets around the word "seven (7)" and striking through the same; and

On page 27, line 2, after the word "dealers" by inserting a "," and by placing brackets around the word "and" and striking through the same; and

On page 27, line 3, after the word "dealers" by adding "*and three (3) members shall be appointed to* *represent the consumer*''

SB 10, AN ACT relating to the Kentucky transportation center and making an appropriation therefor.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOWS:

(1) There is established a Kentucky transportation center at the University of Kentucky under the control and direction of the transportation center advisory board, hereinafter in this Act called the transportation center board or the board. The board shall consist of seven (7) members appointed by the governor, selected in the following manner:

(a) One (1) citizen member and the commissioner of rural roads and municipal aid within the department of highways appointed by the governor;

(b) One (1) member who shall be the chairman of the house transportation committee or his designee;

(c) One (1) member who shall be the chairman of the senate transportation committee or his designee;

(d) One (1) member appointed from a list of three (3) names submitted by the executive board of the Kentucky association of counties;

(e) One (1) member appointed from a list of three (3) names submitted by the executive board of the Kentucky county judges' association; and

(f) One (1) member appointed from a list of three (3) names submitted by the executive board of the Kentucky municipal league.

Initial appointments made pursuant to paragraphs (a), (d), (e) and (f) of this subsection shall be for a period of one (1) year and appointments made pursuant to paragraphs (b) and (c) of this subsection shall be for two (2) years. Each appointment thereafter shall be for a period of two (2) years.

(2) The members of the transportation center board shall select from their membership one (1) person to serve as chairman. The members shall serve without pay, but shall be reimbursed for reasonable expenses from the center's budget.

(3) The board may receive and accept for deposit bequests, gifts, grants and any appropriations by the general assembly and shall have power to make decisions regarding dispersal of those funds consistent with Sections 1 through 6 of this Act.

(4) Meetings of the board shall be held at least quarterly but may be held more frequently as deemed necessary subject to the call by the chairman or by a request of a majority of the board members. Board meetings shall concern among other things, policy matters relating to the transportation center, programs and research, authorization of projects and financial plans, and such other matters as necessary to carry out the intent of Sections 1 through 6 of this Act.

(5) Five (5) members of the board shall constitute a quorum for doing business. Each member shall have one (1) vote and a majority vote of the members present shall control on all questions.

SECTION 2. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOWS:

The Kentucky transportation center board shall:

(1) Formulate policies and procedures as necessary to carry out the provisions of Sections 1 through 6 of this Act;

(2) Review and authorize research, educational and technical assistance programs undertaken and financed under the provisions of Sections 1 through 6 of this Act;

(3) Review and approve all progress and final research reports on projects authorized under the provisions of Sections 1 through 6 of this Act;

(4) Insure that state funds, appropriated by this Act or any other act for transportation research, are not diverted toward any other use and that all authorized research projects are directed toward transportation improvements and more specifically toward strengthening the transportation system of Kentucky;

(5) Provide the governor, the general assembly and the legislative research commission an annual report by January 15 of each year showing the status of funds appropriated under the provisions of this Act for transportation programs and the progress of the board in terms of transportation research, educational and technical assistance efforts;

(6) Advise the general assembly by January 30 during each regular session of the need for

continuation of the Kentucky transportation center; and

(7) Approve and release public statements relating to the progress and results of transportation research programs.

SECTION 3. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOWS:

The board is authorized to employ a director who shall:

(1) Consult with the board on matters related to transportation research projects;

(2) Coordinate and stimulate research and service efforts of the transportation center, the University of Kentucky College of Engineering, the Kentucky transportation research program, and the Kentucky transportation cabinet;

(3) Advise and assist government and the private sector on issues related to transportation and development of continued learning opportunities for professionals working in the field of transportation;

(4) Ensure that personnel and facilities of the regional universities and community colleges are utilized when appropriate for completion of work or service functions performed by the center; and

(5) Attend all board meetings and perform such other activities and duties as required by the board.

SECTION 4. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOWS:

(1) Any state monies appropriated shall be credited to the transportation center.

(2) Federal funds which may be made available to supplement or match state funds for transportation research programs shall be coordinated through the transportation center.

(3) Funds deposited to the credit of the transportation center shall be used to finance transportation research, educational and technical assistance programs authorized under the provisions of Sections 1 through 6 of this Act and for no other purpose.

(4) Funds unexpended at the close of a fiscal year shall not lapse but shall be carried forward to the next fiscal year or biennium, provided, however, that such surplus shall be included in the budget considered and approved by the board for the ensuing period.

SECTION 5. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOWS:

(1) The Kentucky transportation center shall prepare a proposed transportation research, education and technical assistance program and budget request for each fiscal year and shall present such documents to the transportation board for consideration and approval.

(2) The budget shall provide payment of expenses incurred by the transportation board for the director and for such other administrative costs of the center.

(3) Copies of the approved budget shall be filed with the board and the legislative research commission.

SECTION 6. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOWS:

(1) The finance and administration cabinet and the transportation center shall maintain such records as necessary to account for all receipts and expenditures credited or charged against the transportation center.

(2) An annual financial report shall be submitted to the executive director of the legislative research commission and to the governor by the transportation center.

Section 7. KRS 176.450 is amended to read as follows:

(1) The department shall create a secretary's emergency fund which shall be limited to four percent (4%) of the estimated revenue to be used for highway purposes for each fiscal year of the biennium.

(2) No construction or preconstruction project shall be undertaken by the department except those included for that biennium regardless of the source of funds for the project, with the exception of projects undertaken and financed out of the secretary's emergency fund and projects involving the use of matching funds made available from the federal highway administration to the Commonwealth as a result of other states not utilizing their total available federal obligation. In the event revenue estimates exceed the funds allotted for construction and preconstruction projects or actual project completion is less than the cost estimates contained within the initial program submitted by the department, the department shall develop an additional list of construction and preconstruction projects which shall be submitted to and reviewed by the interim joint committee on transportation, prior to the expenditure of any such funds.

(3) The secretary shall semiannually submit to the interim joint committee on transportation a summary of all emergency projects for the preceding six-month period, outlining the nature and cost of the emergency.

(4) The expenditure for preliminary analysis of prospective projects shall not exceed one-half of one percent (.5%) of the total transportation fund in any fiscal year without prior approval of the interim committee.

(5) To carry out the purposes of this Act, there is appropriated to the Kentucky transportation center out of the secretary's emergency fund as provided in subsection (1) of this section, the sum of three hundred

fifty thousand dollars ($350,000) for fiscal year 1984-85 and the sum of three hundred fifty thousand dollars ($350,000) for fiscal year 1985-86.

The Committee Substitute to **SB 10** is as follows:

SB 10, AN ACT relating to the Kentucky transportation center and making an appropriation therefor.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOWS:

(1) There is created a Kentucky transportation center advisory board, hereinafter in this Act called the transportation center board or the board, to assist in policy formulation for and to provide direction to the Kentucky transportation center which is located at the University of Kentucky. The board shall consist of nine (9) members appointed by the governor.

(2) Of the nine (9) members, three (3) members shall be ex officio and include the secretary of the transportation cabinet, the state highway engineer and the dean of the college of engineering at the University of Kentucky. In addition, it is recommended that three (3) of the nine (9) appointments be made in the following manner:

(a) One (1) member appointed from a list of three (3) names submitted by the executive board of the Kentucky association of counties;

(b) One (1) member appointed from a list of three (3) names submitted by the executive board of the Kentucky county judges' association; and

(c) One (1) member appointed from a list of three (3) names submitted by the executive board of the Kentucky municipal league.

Initial appointments made pursuant to paragraphs (a), (b) and (c) of this subsection shall be for a period of one (1) year. The remaining appointments shall be for two (2) years except that ex officio members shall serve the same terms as that of their respective offices. Ex officio members and regular members shall have the same powers and voting privileges. Each appointment thereafter shall be for a period of two (2) years.

(3) The governor shall designate one (1) member of the board as chairman, whose term shall be for two (2) years with said two (2) years being consistent with the biennium budget period. The members shall serve without pay, but shall be reimbursed for reasonable expenses from the center's budget.

(4) Meetings of the board shall be held at least semi-annually but may be held more frequently as deemed necessary subject to call by the chairman or by request of a majority of the board members. Board meetings shall concern, among other things, policy matters relating to the transportation center's technical assistance and research programs, financial plans, and such other matters as necessary to carry out the intent of Section 1 through 6 of this Act.

(5) Five (5) members of the board shall constitute a quorum for doing business. Each member shall have one (1) vote and a majority vote of the members present shall control on all questions. Each regular and ex officio member may designate a proxy by written notice to the chairman prior to call to order of each meeting and such proxy shall be entitled to cast the member's vote.

SECTION 2. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOWS:

The Kentucky transportation center board shall:

(1) Recommend policies and procedures as necessary to carry out the provisions of Sections 1 through 6 of this Act;

(2) Review and recommend research, and technical assistance programs undertaken and financed under the provisions of Sections 1 through 6 of this Act;

(3) Review all progress on projects authorized under the provisions of Sections 1 through 6 of this Act;

(4) Provide the governor, the general assembly and the legislative research commission with an annual report by January 15 of each year showing the status of funds appropriated under the provisions of this Act for the operation and management of the Kentucky transportation center and the progress of the Kentucky transportation center's technical assistance and research programs;

(5) Advise the general assembly by January 30 during each regular session of the need for continuation of the Kentucky transportation center;

(6) Ensure that personnel and facilities of the regional universities and community colleges are

utilized when appropriate for completion of work or service functions performed by the center; and

(7) Ensure that all authorized projects are directed toward transportation improvement and more specifically toward strengthening the transportation system of Kentucky.

SECTION 3. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOWS:

The president of the University of Kentucky shall appoint a director from a list of three (3) names submitted by the transportation center board. Other employes of the center shall be appointed in the same manner as other staff members of the university. All employes of the Kentucky transportation center shall be employes of the University of Kentucky within the provisions of KRS 164.220 to 164.230.

SECTION 4. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOWS:

(1) Any state monies appropriated to the University of Kentucky under this Act shall be used for the operation and management of the transportation center's, technical assistance and research programs and for no other purpose.

(2) Funds unexpended at the close of the fiscal year shall not lapse but shall be carried forward to the next fiscal year or biennium, provided, however, that such surplus shall be included in the budget for the center considered and approved for the ensuing period.

SECTION 5. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOWS:

(1) The director shall submit the transportation center budget in the manner and form set forth for other units of the university, after approval by the transportation center board.

(2) Copies of the approved budget shall be filed with the transportation center board and the legislative research commission.

SECTION 6. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOW:

(1) Funds appropriated by this Act and any other Act for transportation center programs shall not be diverted for any other use.

(2) The University of Kentucky and the transportation center shall maintain such records as necessary to account for all receipts and expenditures credited or charged against the transportation center.

(3) An annual financial report shall be submitted to the executive director of the legislative research commission and to the governor by the university on behalf of the transportation center.

Section 7. To carry out the provisions of this Act, there is appropriated to the University of Kentucky for the operation and management of the Kentucky transportation center from the funds set aside by KRS 176.450(1), the sum of one hundred twenty-five thousand dollars ($125,000) for fiscal year 1984-85 and the sum of one hundred twenty-five thousand dollars ($125,000) for fiscal year 1985-86.

Calendar

SB 380, SB 74, SB 197, SB 282, SB 221, SB 275, SB 336, SB 294, SB 361, HB 294, SB 411, HB 403, HB 799, HB 884, HB 981, SB 169, SB 185, SB 202, SB 269, SB 303, SB 335, SB 364, SB 390, SCR 30, SCR 42, SB 338, SB 341, SB 369, SB 401, SCR 56, SB 316, HB 1020, SB 124, SB 251, and **SB 252** taken from the Calendar and ordered read at length for the second time. Representative LeMaster moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Orders of the Day

Representative Noe moved that the rules be suspended for introduction of and action upon a Resolution. Agreed.

Representative Noe introduced **HR 144.**

HR 144, by Representative Noe: A RESOLUTION commending Phil Cox for his accomplishments while attending Cawood High School and Vanderbilt University.

Representative Noe moved the adoption of the following **HR 144:**

HR 144, A RESOLUTION commending Phil Cox for his accomplishments while attending Cawood High School and Vanderbilt University.

WHEREAS, Phil Cox while playing basketball at Cawood High School in Harlan County scored a total of 2,401 points in his career, shattering a 30-year old county scoring record previously held by Wallace "Wah Wah" Jones; and

WHEREAS, during the 1979-80 school year, Phil Cox led the Cawood Trojans with a 28.7 scoring average per game and received the honor of Kentucky's Mr. Basketball and these athletic achievements resulted in Phil Cox being awarded a scholarship at Vanderbilt University where he has been a three-year starter for the Commodores; and

WHEREAS, in three years as a Vanderbilt Commodore, Phil Cox has received such honors as being named to the All-Tournament Team in the William Jones Cup Tournament in Taiwan, 1st team selection to the All Southeastern Conference Coaches Team and Co-Most Valuable Player for Vanderbilt in his sophomore year, and a 3rd team selection to the AP and UPI All-SEC teams his junior year; and

WHEREAS, at the end of the 1982-83 regular season, Phil Cox was fourth in the nation in free throw shooting percentage and established a Southeastern Conference record by sinking 47 consecutive foul shots; and

WHEREAS, starting his senior year at Vanderbilt, Phil Cox will have scored a total of 1,279 points and needs 421 points to become the all time leading scorer in the history of Vanderbilt basketball; and

WHEREAS, Phil Cox has also displayed academic prowess by achieving a 2.0 grade point average out of a possible 3.0 and has been named on two occasions to the Southeastern Conference All-Academic Team while majoring in Health and Physical Education;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That Phil Cox be commended for his accomplishments while attending Cawood High School and Vanderbilt University.

Section 2. That Phil Cox be granted privilege to the floor of the House of Representatives on this day, March 23, 1984.

Section 3. That a copy of this resolution be presented to Phil Cox, Mrs. Don Cox, Cawood High School and the Vanderbilt Athletic Department.

HR 144 was adopted by voice vote.

Representative Noland moved that the rules be suspended for action on a Legislative Citation. Agreed.

Representative Noland moved the adoption of Legislative Citation No. 133. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates Lori Houghton, a student at Estill County High School, on being named a 1984 United States National Award winner in Art by the United States Achievement Academy. Miss Houghton is the lovely and talented daughter of Mr. and Mrs. John Houghton of Irvine, Kentucky. The Academy recognized less than 10% of all American high school students which makes this an extremely prestigious award. Your picture and biography, which will appear in the nationally published United States Achievement Academy Official Yearbook is especially noteworthy. The criteria for selection interest and aptitude, leadership qualities, responsibility, enthusiasm, motivation to learn and improve, citizenship, attitude and cooperative spirit, dependability, and recommendation from a teacher or director. We commend you highly for your leadership, talent, creativity and self-expression that stimulates the best and most beautiful in all mankind. You have bestowed great honor and pride upon your peers, school, community and the Commonwealth of Kentucky.

The House of Representatives applauds you and extends to you our very best wishes for your continued success. (Sponsored by Representative Noland)

HJR 7, with Committee Substitute and Committee Title Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Hancock moved the adoption of the Committee Substitute to **HJR 7**. Agreed.

Representative Hancock moved that **HJR 7**, by way of Committee Substitute, be passed.

On the roll call the vote was yeas 94-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

HJR 7, by way of Committee Substitute, was passed.

Representative Hancock moved the adoption of the Committee Title Amendment to **HJR 7**. Agreed.

Representative LeMaster moved that the vote by which **HJR 7**, by way of Committee Substitute, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 11 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Stone moved that **HB 11** be passed.

On the roll call the vote was yeas 92-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kidd, Layman, Lefevers, LeMaster, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 2-Heleringer, Lile.

HB 11 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 11** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 765 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved that **HB 765** be passed.

On the roll call the vote was yeas 90-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, Kidd, Layman, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

HB 765 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 765** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 87, with Committee Substitute and Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Arnold moved the adoption of the Committee Substitute to **HB 87**. Agreed.

Representative Arnold moved the adoption of the Committee Amendment No. 1 to the Committee Substitute to **HB 87.** Agreed.

Representative Arnold moved that **HB 87,** by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 87-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Craddock, Crupper, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, T. Jones, Kidd, Layman, Lefevers, Lile, List, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

HB 87, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 87,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 406, with Committee Substitute and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clarke moved the adoption of the Committee Substitute to **HB 406.** Agreed.

Representative Clarke moved that **HB 406,** by way of Committee Substitute, be passed.

Representative Gray moved the adoption of the Floor Amendment No. 2 to the Committee Substitute to **HB 406.**

On the roll call the vote was yeas 28-Allen, Bendl, Bennett, Blevins, Brown, Burch, Clapp, Donnermeyer, Ellington, Farrow, Ford, Fryman, Gray, Kenton, Kidd, Layman, Lile, Little, Lundergan, McBee, Noe, Rapier, Rattliff, Reinhardt, Riner, F. Smith, Todd, Turner. Nays 47-Arnold, Brinkley, Bronger, Bruce, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Curd, Dawahare, Deskins, Dunn, Endicott, Foster, Freibert, Gedling, Guenthner, Hancock, Heleringer, Holbrook, Holloway, Johnson, T. Jones, LeMaster, List, Long, Mann, McElroy, McNutt, Morris, Nett, O'Brien, Overstreet, Pearman, Priddy, Richards, P. Richardson, Robinson, Stone, Stumbo, Thomason, Van Horn, Williams, Yates.

Floor Amendment No. 2 to the Committee Substitute to **HB 406** was rejected.

Representative Heleringer moved the adoption of the Floor Amendment No. 4 to the Committee Substitute to **HB 406.** Rejected.

Representative Moore moved the adoption of the Floor Amendment No. 3 to the Committee Substitute to **HB 406.**

On the roll call the vote was yeas 21-Allen, Bronger, Clapp, Deskins, Endicott, Gedling, Guenthner, Heleringer, Holbrook, Layman, Lundergan, Moore, Noe, Noland, Overstreet, Perkins, Rattliff, Robinson, Todd, Turner, White. Nays 59-Barrows, Bendl, Bennett, Blevins, Brinkley, Brown, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Handy, Harper, Head, Johnson, Kenton, Lefevers, LeMaster, List, Little, Long, Mann, McBee, McElroy, McNutt, Meyer, Morris, Nett, O'Brien, Pearman, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, B. Smith, F. Smith, Stone, Stumbo, Thomason, Van Horn, Williams, Yates.

Floor Amendment No. 3 to the Committee Substitute to **HB 406** was rejected.

On the roll call the vote was yeas 83-Arnold, Barrows, Bennett, Blandford, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Guenthner, Hancock, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones,

T. Jones, Kenton, Layman, Lefevers, LeMaster, List, Little, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, Seum, B. Smith, Stone, Stumbo, Thomason, Van Horn, White, Worthington, Yates. Nays 14-Allen, Bendl, Blevins, Fryman, Gray, Kidd, Lile, Mann, Noe, Patrick, Riner, F. Smith, Todd, Turner.

HB 406, by way of Committee Substitute, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 406,** by way of Committee Substitute, was passed be reconsidered and said motion be placed on the table. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 16, HB 20, HB 220, HB 241, HB 314, HB 371, HB 465, HB 492, HB 494, HB 507, HB 552, HB 555, HB 616, HB 653, HB 728, HB 780,** and **HB 821** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 11:12 a.m.)

HB 16, HB 20, HB 220, HB 241, HB 314, HB 371, HB 465, HB 492, HB 494, HB 507, HB 552, HB 555, HB 616, HB 653, HB 728, HB 780, and **HB 821** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Orders of the Day (continued)

HB 474, with Committee Substitute and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clarke moved the adoption of the Committee Substitute to **HB 474.** Agreed.

Representative Dawahare moved the adoption of the Floor Amendment No. 4 to the Committee Substitute to **HB 474.**

On the roll call the vote was yeas 51-Allen, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Clapp, L. Clark, Cline, Crupper, Cyrus, Dawahare, Deskins, Ellington, Endicott, Ford, Freibert, Fryman, Gray, Head, Heleringer, Holbrook, Johnson, Layman, Lefevers, Lile, Little, Lundergan, Maggard, Moore, Noland, Overstreet, Patrick, Pearman, Perkins, Reinhardt, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stumbo, Todd, Turner, Van Horn, White, Worthington. Nays 42-Bendl, Bennett, Burch, P. Clark, Clarke, Cowan, Craddock, Curd, Donnermeyer, Dunn, Farrow, Foster, Gedling, Guenthner, Hancock, Handy, Harper, Hines, Holloway, R. Jones, T. Jones, Kenton, Kidd, LeMaster, List, Long, McBee, McElroy, McNutt, Moberly, Morris, Nett, O'Brien, Petty, Priddy, Rapier, Richards, B. Richardson, Stone, Thomason, Williams, Yates.

The Floor Amendment No. 4 to the Committee Substitute to **HB 474** was adopted.

Representative Clarke moved that **HB 474,** by Committee Substitute as amended, be passed.

Representative Caldwell moved the adoption of the Floor Amendment No. 5 to the Committee Substitute to **HB 474.**

On the roll call the vote was yeas 23-Allen, Caldwell, Endicott, Ford, Freibert, Fryman, Guenthner, Harper, Heleringer, Holbrook, Holloway, Layman, Lefevers, Lile, Moore, Noland, Overstreet, Patrick, Rattliff, Reinhardt, Robinson, Todd, Turner. Nays 74-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Bruce, Burch, Burnette, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Gedling, Gray, Hancock, Handy, Head, Hines, Johnson, R. Jones, T. Jones, Kenton, Kidd, LeMaster, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, O'Brien, Pearman, Perkins, Petty, Rapier, Richards, B. Richardson, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Worthington, Yates.

Floor Amendment No. 5 to the Committee Substitute to **HB 474** was rejected.

Representative Clarke moved that **HB 474,** by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 89-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Hines, Holbrook, Johnson, R. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Meyer, Moore, Morris, Nett, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, White, Williams, Yates. Nays 10-Allen, Barrows, Guenthner, Heleringer, Holloway, T. Jones, Mann, Moberly, Noe, Turner.

HB 474, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 474,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

The House stood at ease for five minutes.

Speaker Pro Tempore Blandford assumed the Chair and called the House to order.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 3, SB 54,** and **SB 259** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 12:48 p.m.)

Representative LeMaster moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Hancock moved the adoption of the following **HR 135.** Agreed.

HR 135, A RESOLUTION adjourning the House of Representatives in honor of Mr. Courtenay J. Walker.

WHEREAS, Courtenay Walker has unselfishly dedicated his life to the citizens of the Commonwealth by serving the Legislative Research Commission and the Kentucky General Assembly for over twenty-four years; and

WHEREAS, the General Assembly would not function as a cohesive unit without the knowledge and expertise by which Courtenay Walker oversees each legislative session; and

WHEREAS, Courtenay Walker has been known to work miracles in a matter of seconds when called upon to draft resolutions praising basketball, football, soccer and baseball teams as well as cheerleaders, bands, and a multitude of others; and

WHEREAS, Courtenay Walker is a fundamental key to the daily interim legislative activities; and

WHEREAS, the entire staff of the Legislative Research Commission relies upon Courtenay Walker's qualities of leadership, friendship, intuitiveness, kindness and compassion, which are so rarely and thoroughly embodied in an individual; and

WHEREAS, in deference to Courtenay Walker, he is unequaled by his peers for his trustworthiness, confidentiality, and relentless desire for the Legislative Research Commission staff to serve the members of the General Assembly and the citizens of this great Commonwealth in an honest, straightforward and impartial manner; and

WHEREAS, the members of the House esteem it to be an honor and a privilege to have known and served beside the great Courtenay J. Walker;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House extolls its praise and appreciation upon Courtenay J. Walker, the undisputed patriarch of the legislative process.

Section 2. That this honorable body lauds Courtenay Walker for his immeasurable service to the General Assembly.

Section 3. That when the House does adjourn this day, Friday, March 23, 1984, it does so in honor of an outstanding Kentuckian and exemplary representative of the Commonwealth, Mr. Courtenay J. Walker.

Section 4. That the Clerk of the House is directed to transmit a copy of this resolution to its dear friend, Courtenay Walker.

Representative Hancock moved that the rules be suspended for a call of the roll to show co-sponsors of **HR 135**. Agreed.

The following members requested that their names be added as Co-Sponsors of **HR 135**: Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates.

Representative Hancock moved that all members be added as co-sponsors of **HR 135**. Agreed.

HB 787, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Richards moved the adoption of the Floor Amendment No. 1 to **HB 787**. Agreed.

Representative Richards moved that **HB 787**, as amended, be passed.

On the roll call the vote was yeas 94-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 787, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 787**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 601, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Brinkley moved the adoption of the Committee Amendment No. 1 to **HB 601**. Agreed.

Representative Brinkley moved that **HB 601**, as amended, be passed.

On the roll call the vote was yeas 90-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson,

P. Richardson, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 601, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 601**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HJR 25, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Brinkley moved the adoption of the Committee Amendment No. 1 to **HJR 25**. Agreed.

Representative Brinkley moved that **HJR 25**, as amended, be passed.

On the roll call the vote was yeas 90-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HJR 25, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HJR 25**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 475, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clarke moved the adoption of the Committee Substitute to **HB 475**. Agreed.

Representative Clarke moved that **HB 475**, by way of Committee Substitute, be passed.

On the roll call the vote was yeas 91-Allen, Arnold, Barrows, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 2-Bennett, Kidd.

HB 475, by way of Committee Substitute, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 475**, by way of Committee Substitute, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 932, with Committee Substitute, Committee Amendment, and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clarke moved the adoption of the Committee Substitute to **HB 932**. Agreed.

Representative Clarke moved the adoption of the Committee Amendment No. 1 to the Committee Substitute to **HB 932**. Agreed.

Representative Clarke moved that **HB 932,** by way of Committee Substitute as amended, be passed.

Representative Harper moved the adoption of the Floor Amendment No. 1 to **HB 932.**

The Speaker resumed the Chair.

On the roll call the vote was yeas 37-Allen, Brown, Bruce, Caldwell, L. Clark, Cline, Curd, Endicott, Farrow, Ford, Fryman, Gray, Guenthner, Harper, Heleringer, Holbrook, Holloway, Layman, Lefevers, Lile, Mann, McBee, Meyer, Moore, Noe, Noland, O'Brien, Overstreet, Patrick, Petty, Priddy, Reinhardt, Robinson, F. Smith, Todd, Turner, Yates. Nays 42-Arnold, Bendl, Bennett, Blandford, Brinkley, Bronger, Burch, Clapp, P. Clark, Clarke, Cowan, Craddock,Cyrus, Dawahare, Deskins, Dunn, Hancock, Handy, Head, Hines, Johnson, R. Jones, Kenton, Kidd, LeMaster, List, Long, Maggard, McElroy, McNutt, Moberly, Nett, Pearman, Rapier, Richards, B. Richardson, P. Richardson, Stone, Stumbo, Thomas, Thomason, Van Horn.

Floor Amendment No. 1 to **HB 932** was rejected.

Representative Reinhardt moved the adoption of the Floor Amendment No. 2 to the Committee Substitute to **HB 932.**

Representative Long inquired if Floor Amendment No. 2 to the Committee Substitute to **HB 932** was germane to the bill.

The Chair ruled Floor Amendment No. 2 to the Committee Substitute to **HB 932** was not germane to the bill.

Representative Clarke moved that **HB 932,** by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 61-Arnold, Barrows, Bendl, Bennett, Brinkley, Brown, Caldwell, L. Clark, Clarke, Cline, Cowan, Crupper, Cyrus, Dawahare, Donnermeyer, Dunn, Farrow, Ford, Foster, Gedling, Guenthner, Hancock, Handy, Head, Hines, Johnson, R. Jones, T. Jones, Kenton, LeMaster, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Seum, B. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Yates. Nays 24-Allen, Bruce, Burch, Burnette, Curd, Deskins, Ellington, Endicott, Freibert, Gray, Harper, Heleringer, Holloway, Layman, Lefevers, Lile, Moore, O'Brien, Patrick, Robinson, F. Smith, Todd, Turner, Worthington.

HB 932, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 932,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HJR 70, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative F. Smith moved the adoption of the Committee Amendment No. 1 to **HJR 70.** Agreed.

Representative F. Smith moved that **HJR 70,** as amended, be passed.

On the roll the vote was yeas 57-Bennett, Blevins, Brinkley, Bronger, Brown, Burch, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Ford, Gedling, Hancock, Harper, Johnson, T. Jones, Lile, Little, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Noe, O'Brien, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Williams, Worthington, Yates. Nays 22-Allen, Bruce, Cyrus, Foster, Freibert, Guenthner, Holloway, R. Jones, Layman, Lefevers, Long, Moore, Noland, Overstreet, Patrick, Rattliff, Robinson, Thomason, Todd, Turner, Van Horn, White.

HJR 70, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HJR 70** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 677 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Johnson moved that **HB 677** be passed.

On the roll call the vote was yeas 56-Bendl, Bennett, Blevins, Brinkley, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Craddock, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Foster, Freibert, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kidd, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Nett, Noland, O'Brien, Petty, Priddy, Rapier, Reinhardt, B. Richardson, P. Richardson, Robinson, Seum, B. Smith, Thomas, Thomason, Van Horn, Yates. Nays 27-Allen, Brown, Bruce, Crupper, Curd, Ellington, Endicott, Farrow, Ford, Gedling, Heleringer, Layman, Lefevers, Lile, Moore, Morris, Noe, Overstreet, Patrick, Pearman, Perkins, Rattliff, Stone, Todd, Turner, White, Worthington.

HB 677 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 677** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 960, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Worthington moved the adoption of the Committee Amendment No. 1 to **HB 960.** Agreed.

Representative Worthington moved that **HB 960,** as amended, be passed.

On the roll call the vote was yeas 78-Barrows, Bendl, Bennett, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Foster, Freibert, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, Little, Long, Maggard, Mann, McBee, McElroy, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, P. Richardson, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 6-Allen, Ellington, Guenthner, List, McNutt, Todd.

HB 960 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 960,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 1007 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Freibert moved that **HB 1007** be passed.

On the roll call the vote was yeas 89-Allen, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Johnson, R. Jones, T. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, Seum, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 1007 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 1007** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 688, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Van Horn moved the adoption of the Committee Amendment No. 1 to **HB 688.** Rejected.

Representative Harper moved the adoption of the Floor Amendment No. 1 to **HB 688.**

Representative Farrow inquired if Floor Amendment No. 1 was germane to **HB 688.**

The Chair ruled Floor Amendment No. 1 was germane to **HB 688.**

Representative Harper moved the adoption of the Floor Amendment No. 1 to **HB 688.** Rejected.

Representative Williams moved the adoption of the Floor Amendment No. 3 to **HB 688.** Rejected.

Representative Van Horn moved that **HB 688,** be passed.

On the roll call the vote was yeas 46-Bendl, Bennett, Blevins, Brinkley, Brown, Bruce, Burch, L. Clark, P. Clark, Cowan, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Foster, Freibert, Gray, Hancock, Handy, Head, Heleringer, Holbrook, Kenton, Lefevers, Lile, List, Little, Mann, McElroy, Meyer, Moberly, Morris, Nett, O'Brien, Perkins, Petty, Priddy, Rapier, Stone, Thomason, Van Horn, Williams, Worthington, Yates. Nays 35-Allen, Arnold, Bronger, Burnette, Caldwell, Clarke, Cline, Ellington, Farrow, Ford, Fryman, Gedling, Guenthner, Harper, Layman, LeMaster, Long, Maggard, McBee, McNutt, Moore, Noland, Overstreet, Patrick, Pearman, Rattliff, Reinhardt, Richards, B. Richardson, Robinson, B. Smith, Stumbo, Todd, Turner, White.

HB 688, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 688,** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 709, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Kenton moved the adoption of the Committee Amendment No. 1 to **HB 709.** Agreed.

Representative Kenton moved that **HB 709,** as amended, be passed.

On the roll call the vote was yeas 58-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Brown, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Guenthner, Hancock, Handy, Head, Heleringer, Hines, Holloway, Johnson, T. Jones, Kenton, LeMaster, Lundergan, Mann, McBee, McElroy, McNutt, Moberly, Morris, Noe, O'Brien, Perkins, Petty, Priddy, Rapier, Richards, B. Richardson, B. Smith, Stone, Thomas, Thomason, White, Williams, Worthington, Yates. Nays 22-Allen, Cline, Cowan, Ellington, Ford, Fryman, Holbrook, Layman, Lefevers, Lile, Long, Moore, Noland, Overstreet, Patrick, Pearman, Rattliff, Robinson, Stumbo, Todd, Turner, Van Horn.

HB 709, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 709,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Senate Message

SB 20 returned with the following message: The Senate has refused to concur in the House Committee Substitute to **SB 20** and respectfully returns same to this Honorable Body asking for a Conference Committee to be appointed. The Senate has appointed the following members to serve on the Conference Committee: Senators Lackey, Karem, and Huff.

Orders of the Day (continued)

The Speaker announced the following members have been appointed to the Conference Committee on **SB 20**: Representatives Williams, Caldwell, and Moberly.

SB 107, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Brinkley moved the adoption of the Committee Amendment No. 1 to **SB 107**. Agreed.

Representative Brinkley moved that **SB 107,** as amended, be passed.

On the roll call the vote was yeas 71-Allen, Arnold, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Ellington, Farrow, Ford, Foster, Gedling, Gray, Hancock, Handy, Head, Heleringer, Hines, Johnson, R. Jones, T. Jones, Layman, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Morris, Nett, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, White, Worthington, Yates. Nays 13-Bennett, Burnette, Cowan, Dunn, Freibert, Guenthner, Holbrook, Lefevers, Lile, Moore, Noe, Priddy, Van Horn.

SB 107, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 107,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 191, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative B. Smith moved the adoption of the Floor Amendment No. 2 to **SB 191**. Agreed.

Representative B. Smith moved the adoption of the Floor Amendment No. 1 to **SB 191**.

On the roll call the vote was yeas 40-Allen, Bennett, Bronger, Bruce, Burch, Burnette, Clapp, L. Clark, P. Clark, Crupper, Donnermeyer, Farrow, Freibert, Gedling, Harper, Head, Heleringer, Holloway, Johnson, Layman, Lefevers, List, Long, McBee, McElroy, Morris, O'Brien, Patrick, Pearman, Petty, Priddy, Rattliff, B. Richardson, P. Richardson, Seum, B. Smith, Todd, Turner, Van Horn, Yates. Nays 47-Barrows, Bendl, Blandford, Blevins, Brinkley, Brown, Caldwell, Cline, Cowan, Curd, Cyrus, Dawahare, Deskins, Dunn, Ellington, Ford, Foster, Fryman, Guenthner, Hancock, Handy, Hines, R. Jones, T. Jones, Lile, Little, Lundergan, Maggard, Mann, McNutt, Meyer, Moberly, Noe, Noland, Overstreet, Perkins, Rapier, Reinhardt, Richards, Robinson, F. Smith, Stone, Stumbo, Thomas, Thomason, White, Worthington.

Floor Amendment No. 1 to **SB 191** was rejected.

Representative B. Smith moved that **SB 191,** as amended, be passed.

On the roll call the vote was yeas 75-Allen, Arnold, Barrows, Bendl, Blandford, Blevins, Brinkley, Bronger, Bruce, Burch, Burnette, Clapp, L. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Ellington, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Head, Heleringer, Hines, Holloway, Johnson, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, McBee, McElroy, McNutt, Meyer, Moore, Morris, Noe, Noland, O'Brien, Patrick, Pearman, Perkins, Petty, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, Seum, B. Smith, Stone, Stumbo, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 7-Bennett, P. Clark, Dunn, Holbrook, Overstreet, Priddy, F. Smith.

SB 191, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 191**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 277 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Nett moved that **SB 277** be passed.

On the roll call the vote was yeas 77-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Bruce, Burch, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moore, Morris, Nett, Noe, O'Brien, Overstreet, Perkins, Rapier, Reinhardt, Richards, P. Richardson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 5-Allen, Patrick, Pearman, Priddy, Robinson.

SB 277 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 277** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 229 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cowan moved that **SB 229** be passed.

On the roll call the vote was yeas 77-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Bruce, Burch, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Freibert, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moore, Morris, Nett, Noe, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Seum, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, White, Worthington, Yates. Nays 7-Allen, Ellington, Fryman, Layman, Patrick, Robinson, Turner.

SB 229 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 229** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 93, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 2 to **HB 93** is as follows:

Amend printed copy of **HB 93** on page 5, after line 9, add the following:

SECTION 3. A NEW SECTION OF KRS CHAPTER 143A IS CREATED TO READ AS FOLLOWS:

(1) A credit is hereby allowed against the tax imposed by this chapter on the gross value of limestone which is severed or processed within this state and sold to a purchaser outside of this state.

(2) The credit allowed in subsection (1) of this section shall be equal to the tax imposed by this chapter on the gross value of a similar quantity of severed or processed limestone valued as of the day the sale is made to a purchaser outside of this state.

(3) The credit allowed in this section shall extend only to a taxpayer who severs or processes limestone through the rip-rap construction aggregate or agricultural limestone stages, and who sells in interstate commerce not less than sixty percent (60%) of such stone. The credit shall not be allowed to a taxpayer who processes the limestone beyond the agricultural limestone stage.

Representative Clapp moved that the House concur in the Senate Amendment No. 2 to **HB 93**.

Representative Noe moved that **HB 93** be recommitted to the Committee on Appropriations and Revenue for a report on concurrence in the Senate Amendment No. 2.

On the roll call the vote was yeas 23-Brown, Cline, Cowan, Crupper, Dunn, Endicott, Farrow, Hancock, Hines, Holbrook, T. Jones, Lefevers, Little, Mann, Moore, Nett, Noe, O'Brien, Perkins, Reinhardt, F. Smith, Thomas, White. Nays 57-Allen, Arnold, Bennett, Blandford, Brinkley, Bronger, Bruce, Burch, Burnette, Clapp, L. Clark, P. Clark, Clarke, Craddock, Curd, Cyrus, Dawahare, Deskins, Ellington, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Handy, Head, Heleringer, Holloway, Johnson, R. Jones, Kenton, Layman, List, Maggard, McElroy, McNutt, Morris, Noland, Overstreet, Patrick, Pearman, Petty, Priddy, Rapier, Rattliff, Richards, Robinson, B. Smith, Stone, Stumbo, Thomason, Todd, Turner, Van Horn, Yates.

The motion that **HB 93** be recommitted to the Committee on Appropriations and Revenue for a report on concurrence in the Senate Amendment No. 2 was rejected.

On the roll call the vote was yeas 48-Allen, Bennett, Blandford, Brinkley, Bronger, Bruce, Burch, Burnette, Clapp, L. Clark, P. Clark, Curd, Cyrus, Deskins, Ellington, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Head, Heleringer, Holloway, R. Jones, Layman, Lile, List, Maggard, McElroy, McNutt, Morris, Noland, Overstreet, Patrick, Priddy, Rattliff, Robinson, F. Smith, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, Worthington, Yates. Nays 41-Arnold, Barrows, Blevins, Brown, Caldwell, Clarke, Cline, Cowan, Craddock, Crupper, Donnermeyer, Dunn, Endicott, Farrow, Hancock, Harper, Hines, Holbrook, Johnson, T. Jones, Kenton, Lefevers, Little, Long, Mann, McBee, Meyer, Moberly, Moore, Nett, Noe, O'Brien, Pearman, Perkins, Rapier, Reinhardt, B. Richardson, P. Richardson, Seum, Thomason, White.

The motion that the House concur in the Senate Amendment No. 2 to **HB 93** was adopted.

Representative Clapp moved that **HB 93**, as amended by the Senate, be passed.

On the roll call the vote was yeas 54-Bennett, Blandford, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Ellington, Ford, Foster, Freibert, Fryman, Gray, Guenthner, Handy, Head, Heleringer, Holbrook, Holloway, Johnson, R. Jones, Layman, LeMaster, Lile, List, Maggard, McElroy, McNutt, Morris, Noland, Overstreet, Patrick, Priddy, Rattliff, Reinhardt, Richards, B. Richardson, Robinson, F. Smith, Stone, Stumbo, Thomason, Turner, Van Horn, Worthington, Yates. Nays 32-Arnold, Barrows, Blevins, Brown, Clarke, Cline Cowan, Crupper, Dunn, Endicott, Farrow, Hancock, Harper, Hines, T. Jones, Kenton, Lefevers, Little, Long, Mann, McBee, Meyer, Moore, Nett, Noe, O'Brien, Pearman, Perkins, Rapier, Reinhardt, Thomas, White.

HB 93, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 93**, as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 84, SB 243, SB 273, SB 280,** and **SB 283** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 2:50 p.m.)

Motions, Petitions, and Communications

The Speaker announced a Majority Caucus, Monday, 1:00 p.m., Room 109.

Representative LeMaster moved that the posting requirement be waived on **SB 223, SB 379, SB 204, SB 222** and **HB 703**. Agreed.

Representative LeMaster moved that **HB 703** be reassigned to Counties and Special Districts. Agreed.

Representative LeMaster moved that the rules be suspended for Introduction of Resolutions and Report of Committees. Agreed.

Introduction of Resolution

HR 145, by Representative Richards: A RESOLUTION directing the Interim Joint Committee on Education to study methods of adequately funding the state's universities.

The Clerk announced the following Bills and Resolutions have been withdrawn from Committee consideration:

Health and Welfare: **SB 66, SB 279, SB 295, SB 323.**

Report of Committees

The Committee on Business Organizations and Professions reported **SB 353** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 353, AN ACT relating to alcoholic beverage control.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 243.010 is amended to read as follows:

(1) As used in KRS Chapter 243 and KRS 243.884, unless the context requires otherwise, the words and terms defined in KRS 241.010 have the meaning given to them in KRS 241.010, except that in KRS 243.720 to 243.850 the word "department" means the department of revenue, and the word "commissioner" means the commissioner of revenue.

(2) As used in KRS 243.720 to 243.850, unless the context requires otherwise:

(a) "Alcohol," "alcoholic beverage," "bottling," "licensee," "malt beverage" and "manufacturer" have the meaning given to them in KRS 241.010 and "department" means the department of revenue.

(b) "Distilled spirits" means any alcoholic beverage, except malt beverages and wine.

(c) "Retail container" means any bottle, can, barrel or other container which, without a separable intermediate container, holds alcoholic beverage and which is suitable and destined for sale to a retail outlet, whether it is suitable for delivery to the consumer or not.

(d) "Retail outlet" means retailers, hotels, restaurants, railroad dining cars, clubs and any person who sells alcoholic beverages to consumers or to any person other than a manufacturer licensed by this state or some other state or a wholesaler licensed by this state or some other state or a retail outlet licensed by this state or some other state or a state alcoholic beverage corporation.

(e) "Retail sale" means sale by a retail outlet.

(f) "Wholesaler" means any person who distributes alcoholic beverages for the purpose of being sold at retail, but it shall not include a subsidiary of a manufacturer or cooperative of retail outlet.

(g) "Wine" means the product of the normal alcoholic fermentation of the juices of fruits, with the usual processes of manufacture and normal additions, and includes champagne, sparkling and fortified wine of an alcoholic content not exceeding twenty-four percent (24%) by volume. It includes preparations or mixtures vended in retail containers if such preparations or mixtures contain not exceeding fifteen percent (15%) of alcohol by volume.

(h) "Licensee" or "applicant" means an individual, corporation, firm, partnership, limited partnership, incorporated or unincorporated association, professional association, or any other legal or

commercial entity, or combination of such entities, or any such entity having a financial interest directly or indirectly in such entity.

(i) "Newly available license" and "new license" mean any retail package liquor license or retail drink liquor license created by virtue of an opening in the license quota in a geographic district, whether by an increase in population, a change in the quota ratio, cancellation, revocation or surrender of a license or otherwise.

(j) "Facial validity" and "facially valid application" mean any license application that appears to be valid on its face.

(k) "License year" means that twelve (12) month period for which a license is issued, specifically July 1 through June 30 of the following year.

(l) "Geographic district" means that geographic area in which a new license is available. In the case of newly available licenses created by virtue of the repeal of prohibition pursuant to the provisions of KRS Chapter 242, in any geographic district the distilled spirits administrator may, in his discretion, divide such geographic district into geographic sub-districts, allocating a specific number of the newly available licenses to each sub-district to insure more equitable geographic dispersion of said licenses.

(m) "Qualified application" means any license application determined to meet all the requirements to participate in the random selection process as set forth in subsection (5) of Section 2 of this Act.

SECTION 2. A NEW SECTION OF KRS CHAPTER 243 IS CREATED TO READ AS FOLLOWS:

(1) When a new license becomes available in a county or geographic district, the alcoholic beverage control board shall, within thirty (30) days, send a specific notice to the newspaper with the largest circulation in the county affected. The department of alcoholic beverage control shall accept applications for such new licenses for a period of thirty (30) days following the date of publication in the newspaper of county affected. If the distilled spirits administrator has divided a geographic district into sub-districts pursuant to Section 1 of this Act, advertisement shall also contain a detailed description of such sub-districts and the number of newly available licenses allocated to each.

(2) Each application submitted to the department of alcoholic beverage control for a newly available license shall be examined by the distilled spirits administrator for facial validity. Any application determined to be deficient by the distilled spirits administrator may be corrected by the applicant within fifteen (15) days of the close of the thirty (30) day application period, upon notice to the applicant by the distilled spirits administrator of the specific deficiency or deficiencies. Any application that is not facially valid at the close of the fifteen (15) day period shall be ineligible for participation in the random selection process as set forth in subsection (5) of this section.

(3) Any applicant whose application has been rejected or denied by a local alcoholic beverage administrator may appeal that rejection or denial pursuant to KRS 241.150, 241.200, or 241.260; and any hearing conducted by the alcoholic beverage control board on the appeal shall be conducted prior to the institution of the procedures set forth in subsection (5) of this section.

(4) (a) The department of alcoholic beverage control shall cause each facially valid application to be fully investigated, both as to the qualifications of the applicants and the premises and location sought to be licensed.

(b) If any protest under KRS 243.360 against any application for a new license is filed with the distilled spirits administrator within fifteen (15) days of the close of the thirty (30) day application period, which would result in a refusal of the application by the distilled spirits administrator, the alcoholic beverage control board shall conduct a hearing pursuant to KRS 243.550 to determine the validity of the protest.

(5) (a) All applications found to be qualified under the procedures set forth in subsection (4) this section shall constitute the application pool for the new license in the geographic district or sub-district.

(b) Twenty (20) days following the investigation specified in subsection (4)(a) of this section and the entry of any order of the board as a result of a hearing held under the provisions of subsection (4)(b), the distilled spirits administrator shall cause to be conducted at the offices of the department of alcoholic beverage control a public drawing, wherein one (1) application shall be selected for each newly available license in a geographic district or sub-district. Subject to this selection process, if an applicant is found qualified as provided by the alcoholic beverage laws and regulations, a letter of intent shall be issued by the distilled spirits administrator to that applicant whose application is selected.

(c) Each applicant in the application pool shall be notified by the department of alcoholic beverage control, by certified mail or personal delivery, of the date and time of the drawing.

(6) In the event that the number of applications does not exceed the number of newly available licenses, the drawing provided in subsection (5) of this section shall not be held and any new license or licenses shall be issued to such applicant or applicants as otherwise qualify under subsection (9) of this section and other applicable alcoholic beverage laws and regulations.

(7) No individual, corporation, firm, partnership, limited partnership, incorporated or unincorporated association, professional association or any other legal or commercial entity or combination of such entities, or any such entity holding a financial interest directly or indirectly in such entity, whether or

not presently holding a retail liquor license, shall submit more than one (1) application for any newly available license or license in a geographic district or sub-district, which ever is applicable.

(8) Each application for a newly available license shall be accompanied by a non-refundable application fee of five-hundred dollars ($500).

(9) In addition to the other requirements set forth in the statutes and regulations governing alcoholic beverage licensing, no application shall be a qualified application if:

(a) The applicant or applicants, if an individual, or if a partnership, the individual partners, have not maintained an actual bona fide residence within the Commonwealth for at least one (1) year next preceding application;

(b) The applicant, if a corporation, is not either incorporated under the laws of the Commonwealth or authorized to do business in the Commonwealth under the laws of the Commonwealth. In the event that a corporation is a member of a partnership, the criteria for corporations shall apply to that corporation;

(c) The applicant, if an individual, or if a partnership, the individual partners, shall have been convicted of a felony. This provision shall not serve to disqualify applicants who have not been so convicted within the five (5) years next preceding application and who have had all rights of citizenship restored;

(d) The applicant, if a corporation, if any of the principal officers and directors have been convicted of a felony. This provision shall not serve to disqualify a corporate applicant, if any such principal officer or director has not been so convicted within the five (5) years next preceding application and has had all rights of citizenship restored;

(e) The applicant, if an individual or the individual partners if a partnership, has been convicted of three (3) misdemeanors involving the use of alcoholic beverages within the past two (2) years;

(f) The applicant has not demonstrated his financial responsibility by attaching to his license application a certification or certifications that the applicant has assets, excluding primary personal residence, and credit available totaling at least fifty-thousand dollars ($50,000); and

(g) The applicant has not included in his application a detailed description of the premises to be licensed, if the premises have an actual physical existence at the time of application, or detailed plans including location site of premises to be constructed.

(10) (a) The letter of intent issued pursuant to subsection (5) of this section may not be transferred in any manner nor shall a license be issued to any person other than appears on the letter of intent or to any premises other than appears on the letter of intent.

((b) If, for any reason, no license is issued to the holder of a letter of intent within one (1) year from the date thereof, the letter of intent shall be withdrawn.

(11) The alcoholic beverage control board shall establish such rules and regulations as may be necessary to implement this statute.

The Committee on Appropriations and Revenue reported **SB 247** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 247, AN ACT relating to individual income tax.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 141 IS CREATED TO READ AS FOLLOWS:

(1) Notwithstanding any statutory provisions to the contrary, a deduction shall be allowed individuals against adjusted gross income in arriving at net income for "qualified artistic charitable contributions" in an amount equal to the fair market value of the property contributed as determined at the time of such contribution.

(2) For purposes of this chapter, "qualified artistic charitable contribution" shall mean a charitable contribution of any literary, musical, artistic or scholarly composition, any letter or memorandum, or similar property, but only if:

(a) Such property was created by the personal efforts of the taxpayer no less than one (1) year prior to such contribution;

(b) The taxpayer has received a written appraisal of the fair market value of such property by a person qualified to make such an appraisal (other than the taxpayer, donee, or any related person within the meaning of section 168(e)(4)(D) of the Internal Revenue Code), and the appraisal is made within one (1) year of the date of such contribution;

(c) The taxpayer attaches to his income tax return for the taxable year in which such contribution was made a copy of such appraisal;

(d) The donee is an organization described in section 170(b)(1)(A) of the Internal Revenue Code;

(e) The use of such property by the donee is related to the purpose or function constituting the basis for the donee's exemption under section 501 of the Internal Revenue Code, or in the case of a governmental unit, to a public purpose; and

(f) The taxpayer receives from the donee a written statement representing that the donee's use of the property will be in accordance with paragraph (e) of this subsection.

(3) The aggregate amount of qualified artistic charitable contributions allowable to any taxpayer as a deduction under this section for any taxable year shall not exceed the artistic adjusted gross income of the taxpayer for such taxable year. For purposes of this subsection, the term "artistic adjusted gross income" means that portion of the adjusted gross income of the taxpayer for the taxable year attributable to:

(a) Income with respect to property described in subsection (2) of this section that is created by the taxpayer; and

(b) Income from teaching, lecturing, performing or similar activity with respect to such property or to similar property created by individuals other than the taxpayer.

(4) The provisions of this section shall not apply in the case of any charitable contribution of any letter, memorandum, or similar property which was written, prepared or produced by or for an individual while such individual was an officer or employe of the United States or any state, or political subdivision thereof, if the writing, preparation, or production of such property was related to, or arose out of the performance of such individual's duties as such an officer or employe.

(5) The provisions of this section shall be effective for tax years beginning on or after January 1, 1984.

The Committee on State Government reported **SB 69** with Committee Amendment attached thereto, **SB 178, SB 357, SB 415** with Committee Amendment attached thereto, **SJR 60, SCR 78, SB 45, SB 157, SB 352** with Committee Amendments attached thereto, and **SB 404** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 69, AN ACT relating to state employe insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

As used in this Act, unless the context otherwise requires:

(1) "Board" means the state employes group health insurance board;

(2) "Secretary" means the secretary of the finance and administration cabinet;

(3) "State employe" means a person, including an elected public official, who is regularly employed by any department, board, agency or branch of state government, and who is a contributing member to any one of the retirement systems administered by the state, provided, however, that any federally funded time-limited employe may receive insurance coverage. It shall also include a person who must fulfill the requirements established by the state board of education for eligibility and a person who is a present or future recipient of a retirement allowance from any of the Kentucky retirement systems who either satisfies the requirements of KRS 61.559 or who is board authorized under KRS 61.702(1), including a beneficiary of a retired employe as defined in KRS 61.542 who is receiving a retirement allowance from any of the Kentucky retirement systems.

SECTION 2. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

(1) There is created a board to be known as the state employes group health insurance board. The board shall consist of seven (7) members. The secretary of the finance and administration cabinet, secretary of the cabinet for human resources, commissioner of the department of insurance, and commissioner of the department of personnel shall be members. The governor shall appoint as members one (1) state employe who is not a teacher, one (1) state employe who is a teacher, and one (1) retired state employe participating in the group health insurance plan.

(2) The members appointed by the governor shall serve four (4) year terms, except that one (1) of the initial appointments shall be for a term of four (4) years, one (1) for three (3) years, and one (1) for two (2) years. The initial appointments shall begin on August 1, 1984. Upon expiration of the term of office of any appointive member, he shall continue to serve until his successor shall be appointed. In case of a vacancy, a successor shall be appointed to serve for the unexpired portion of the remaining term. The members of the board shall choose a chairman and vice-chairman from the board membership.

(3) The department of personnel shall provide staff to the board for the purpose of allowing the

board to fulfill its duties and responsibilities.

(4) All members shall be entitled to their reasonable and necessary expenses actually incurred in discharging their duties.

SECTION 3. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

(1) The board shall advise the secretary on all matters pertaining to the state group health insurance plan.

(2) The board shall prepare and recommend to the secretary of the finance and administration cabinet specifications on a group health insurance plan. The secretary shall, after considering the recommendations of the board, issue specifications on a group health insurance plan for the purpose of receiving proposals from interested insurers authorized to transact insurance business in this state and health maintenance organizations authorized to do business in this state. The secretary shall submit copies of the proposals received to the board for its recommendation.

(3) (a) The board shall recommend to the secretary a contract or contracts with one (1) or more insurers, or one (1) or more health maintenance organizations, or both, for the purpose of providing a group health insurance plan covering all or any class or classes of state employes and, where elected, their eligible dependents.

(b) The secretary shall, after considering the recommendations of the board, procure a contract or contracts with one (1) or more insurers, or one (1) or more health maintenance organizations, or both, for the purpose of providing a group health insurance plan covering all or any class or classes of state employes and, where elected, their eligible dependents.

(4) Where not inconsistent with this Act, the secretary shall follow the procedures required by law for public contracts.

SECTION 4. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

(1) The secretary may, wholly or partially as an alternative provide a group health insurance plan on a self-insured basis in which case the secretary shall approve a written description setting forth the terms and conditions of the plan.

(2) The secretary may give all state employes for whom insurance or health maintenance organization coverage is provided an option to elect either standard insurance coverage or coverage by a health maintenance organization.

(3) The board may recommend that the secretary procure a health insurance plan in accordance with any of the provisions of this section.

SECTION 5. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

The group health insurance contract or contracts may contain provisions with respect to the class or classes of employes covered, amounts of insurance or coverage for designated classes or groups of employes, policy options, terms of eligibility, continuation of insurance or coverage after retirement, and other provisions as the secretary may approve.

SECTION 6. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

(1) The premiums may be paid by the policyholder:

(a) Wholly from funds contributed by the insured employe, by payroll deduction or otherwise;

(b) Wholly from funds contributed by the state or department, board or agency; or

(c) Partly from each, except that any premium due for health maintenance organization coverage over the premium amount contributed by the state or department, board or agency for any other hospitalization insurance coverage shall be paid by the employe.

(2) No payment of premium by the state or department, board or agency shall constitute compensation to an insured employe for the purposes of any statute fixing or limiting the compensation of the employe. Any premium or other expense incurred by the state or department, board or agency shall be considered a proper cost of administration.

SECTION 7. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

Each affected department of the Commonwealth, local boards of education, the Kentucky retirement systems, and insurers or health maintenance organizations who hold contracts with the state under this Act shall keep records, make certifications, and furnish to the secretary and the board information specified in the bid proposal.

SECTION 8. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

The secretary shall promulgate rules and regulations as are necessary to give full effect to the purposes of this Act. The board may recommend rules and regulations to the secretary.

Section 9. KRS 18A.205 is amended to read as follows:

(1) The secretary of the finance and administration cabinet, upon the recommendation of the commissioner, may procure from one or more life insurance companies, authorized to do business in this state, a policy or policies of group life insurance insuring the lives of all or any class or classes of state employes. The policy or policies shall be approved by the commissioner of insurance and may contain such provisions as he approves whether or not otherwise permitted by the insurance laws. It is intended that life insurance may be made available for state employes, except that the procuring is permissive.

(2) The term "state employe," for purposes of KRS 18A.205 to *18A.220* [~~18A.225~~], shall mean a person who is regularly employed by any department, board, agency or branch of state government, and who is also a contributing member of any one of the retirement systems administered by the state provided, however, that any federally funded time-limited employe may receive insurance coverage.

(3) The term "premiums," for the purposes of KRS 18A.205 to *18A.220* [~~18A.225~~], shall mean premiums to be paid on any type of insurance authorized under KRS 18A.205 to *18A.220* [~~18A.225~~].

Section 10. KRS 18A.220 is amended to read as follows:

The secretary of the finance and administration cabinet is authorized to perform all acts necessary or advisable for the purpose of contracting for and maintaining insurance under the provisions of KRS 18A.205 to *18A.220 and this Act* [~~18A.225~~].

Section 11. KRS 18A.225, Health, hospitilization, medical, major medical and dental insurance coverage - Premiums - Definition of health maintenance organization, is repealed.

The Committee Amendment No. 1 to **SB 69** is as follows:

Amend printed copy of **SB 69** on page 2, line 22, by deleting the word "*August*" and substituting in lieu thereof the word "*October*";

And on page 3, line 16, by adding after the word "*plan.*" the following language:

"*The bid specifications shall be written with sufficient latitude to ensure fair and competitive bidding among the various health insurers.*";

And on page 4, lines 12 through 14 by deleting lines 12 through 14 and substituting in lieu thereof:

"*(4) The secretary of the finance and administration cabinet shall procure the state group health insurance contract or contracts in compliance with the provisions of KRS 45A.080, 45A.085 and 45A.090.*

(5) The state group health insurance contract or contracts shall be entered into for a period of not less than two (2) years, except the contract awarded October 1, 1984 shall be awarded for the period between October 1, 1984 and June 30, 1986.

(6) The secretary shall be authorized to enter into contracts with cost-effective health care providers.

(7) The board shall make recommendations to the secretary on cost containment provisions in the state group health insurance plan to be included in the bid specifications including but not limited to such programs as second opinion surgery, pre-authorization review, ambulatory surgery, pre-admission testing and other programs shown to be cost effective. The insurer holding the contract shall provide complete and adequate data to the secretary in order that he can evaluate the cost containment effects of the programs provided for in the state group health insurance contract.

(8) The state group health insurance contract or contracts shall be approved by the commissioner of insurance and may contain such provisions as he approves whether or not otherwise permitted by the insurance laws.

(9) Nothing in this Act shall be construed to require the expenditure of state funds beyond that amount appropriated by the general assembly for the state group health insurance contract."

And on page 6, lines 13 and 14, by deleting the word "*proposal*" and substituting in lieu thereof: "*specifications or the state group health insurance contract or contracts*".

SB 178, AN ACT relating to state government.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 148 IS CREATED TO READ AS FOLLOWS:

(1) There is hereby created an agency of state government to be known as the tourism cabinet. The cabinet shall be headed by a secretary who shall be appointed by the governor pursuant to the provisions of KRS 12.040. The secretary shall appoint such principal assistants and personnel pursuant to the provisions of KRS Chapter 12 and 18A as are necessary to enable him to perform the functions of his office.

(2) The cabinet shall consist of the office of the secretary, the office of general counsel, the office of administrative services, the department of travel development, the department of parks, and such other divisions and sections as are from time to time deemed necessary for the proper and efficient operation of the cabinet.

(3) The office of general counsel shall be headed by a general counsel appointed by the secretary pursuant to KRS 12.210, shall provide legal services for the cabinet and shall be directly responsible to the secretary.

(4) The department of travel development shall be headed by a commissioner appointed by the governor pursuant to the provisions of KRS 12.040. The commissioner shall have the authority and responsibility for the promotion, development, and support services for the tourism industry within the Commonwealth.

(5) The divisions of tourism services and marketing and advertising services are created within the department of travel development. Each division shall be headed by a division director who shall be appointed by the commissioner of the department pursuant to the provisions of KRS 12.050. The division of tourism services shall operate the highway welcome centers, conduct a hospitality education program for the tourism industry, coordinate the provision of mail and telephone information services to visitors, and generate sales revenue to the tourism industry of the Commonwealth through participation in trade shows and markets. The division of marketing and advertising services shall be responsible for state tourism advertising, the state matching fund tourism advertising program, the development and maintenance of a marketing and research data base on tourism, market survey programs and special studies related to the tourism industry.

Section 2. KRS 3.050 is amended to read as follows:

(1) Whenever the United States congress enacts a law authorizing the United States to take over the Perryville battlefield, now in the hands of the *department* [~~division~~] of parks, the governor shall appoint a commissioner who shall make and execute on behalf of Kentucky, a deed conveying fee simple title to the United States for national cemetery or park purposes, in conformity with the provisions of the act of congress when enacted, seventeen and three-fourths (17 3/4) acres of land, more or less, in Boyle County, Kentucky, now owned and held by the commonwealth of Kentucky, together with all improvements thereon and appurtenances thereunto belonging. The conveyance shall be made free of any cost or charge to the United States for the property conveyed. The commissioner may ascertain by survey or otherwise the metes and bounds of the land conveyed and include in the deed an appropriate description of the land. The deed shall contain a clause to the effect that, when the United States shall cease to use or maintain the land conveyed as a national cemetery or park, upon demand of the governor of Kentucky, it shall revert to Kentucky, and complete jurisdiction over it shall be again vested in Kentucky. The deed shall be in a form agreeable to the provisions of the act of congress, when enacted.

(2) When the conveyance to the United States is made, the jurisdiction of Kentucky shall thereby be ceded to and vested in the United States over the land conveyed. The jurisdiction hereby ceded shall continue no longer than the United States of America shall own the land.

Section 3. KRS 11.065 is amended to read as follows:

(1) The secretaries of the justice cabinet, the education and humanities cabinet, the natural resource and environmental protection cabinet, the transportation cabinet, the commerce cabinet, the public protection and regulation cabinet, the cabinet for human resources, the finance and administration cabinet, the energy and agriculture cabinet, the corrections cabinet, *the tourism cabinet,* the secretary of the governor's executive cabinet and the lieutenant governor shall constitute the governor's executive cabinet. There shall be a vice-chairman appointed by the governor who shall serve in an advisory capacity to the executive cabinet. The governor shall be the chairman and the secretary of the finance and administration cabinet shall be a second vice-chairman of the executive cabinet. The governor may designate others to serve as vice-chairmen.

(2) The cabinet shall meet not less than once every two (2) months and at other times on call of the governor. The executive cabinet shall be a part of the office of the governor and shall not constitute a separate department or agency of the state. Members of the cabinet shall be the major assistants to the governor in the administration of the state government and shall assist the governor in the proper operation of his office and perform such other duties as the governor may require of them.

(3) The cabinet shall consider such matters involving policies and procedures as the governor or any member may place before it. The cabinet shall advise and consult with the governor on all matters affecting the welfare of the state.

Section 4. KRS 12.250 is amended to read as follows:

There are established within state government the following program cabinets:
(1) Justice cabinet.
(2) Education and humanities cabinet.
(3) Natural resource and environmental protection cabinet.
(4) Transportation cabinet.
(5) Commerce cabinet.
(6) Public protection and regulation cabinet.
(7) Cabinet for human resources.
(8) Finance and administration cabinet.
(9) Energy and agriculture cabinet.
(10) Corrections cabinet.
(11) Tourism cabinet.

Section 5. KRS 147A.002 is amended to read as follows:

(1) The department for local government shall be headed by a commissioner, and shall be divided for administrative purposes into *the division of community programs and* such *other* divisions as the commissioner, with the approval of the governor, determines. *The division of community programs shall be responsible for the administration of Title I of the housing and community development act of 1974 as amended through 1981, which includes the community block grant program and the 107 technical assistance program.*

(2) The commissioner, with the approval of the governor, shall appoint necessary deputies, assistants, attorneys and other employes and shall fix their compensation and authorize payment of their expenses according to law.

(3) The commissioner shall be the state local finance officer and he may delegate the duties to his agent designated in writing with the approval of the governor.

Section 6. KRS 148.011 is amended to read as follows:

(1) There shall be established in the state government *within the tourism cabinet* a department of parks, a statutory administrative department within the meaning of KRS Chapter 12, the executive head of which shall be the commissioner of parks.

(2) The commissioner of parks shall be appointed by the governor as provided in KRS 12.040 for the heads of statutory administrative departments and shall receive an annual salary not to exceed the amount provided in KRS 64.640 (2) relating to compensation for the heads of other statutory administrative departments.

(3) The commissioner of parks may establish divisions in accordance with the terms of KRS 12.050.

(4) The heads of the divisions in the department of parks shall be appointed by the commissioner of parks in accordance with the provisions of KRS 12.050.

Section 7. KRS 148.260 is amended to read as follows:

(1) The state horse park management board is hereby established, is attached to the *tourism* [~~commerce~~] cabinet and shall consist of seven (7) members appointed by the governor, who shall also designate its chairman. Members shall serve terms of four (4) years, or until their successors are appointed, except that the initial terms of membership shall be staggered as follows:
(a) One (1) member shall serve a term of one (1) year;
(b) Two (2) members shall serve a two (2) year term;
(c) Two (2) members shall serve a three (3) year term; and
(d) Two (2) members shall serve four (4) year terms.

(2) The management board shall be authorized to adopt bylaws providing for the call of its meetings and its operating procedures. A quorum of the board shall consist of four (4) members, and a majority of members present at any duly-called meeting may act upon any matter before it for consideration. Full minutes and records shall be maintained of all meetings and official actions of the board, and shall be subject to the Kentucky open records and open meetings acts. Members of the board shall be reimbursed for their expenses in attending meetings subject to department of finance regulation, and shall receive sixty-five dollars ($65.00) per diem for attending such meetings.

Section 8. KRS 150.021 is amended to read as follows:

(1) The department of fish and wildlife resources constitutes a department of state government within the meaning of KRS chapter 12 *and is attached to the tourism cabinet for administrative purposes.* The department consists of a commissioner, a fish and wildlife resources commission and the conservation officers and other agents and employes provided for in this chapter. The department shall enforce the laws and regulations adopted under this chapter relating to wildlife and shall exercise all powers necessarily incident thereto.

(2) Any powers conferred by this chapter upon the department of fish and wildlife resources, the fish and wildlife resources commission, or the commissioner of the department of fish and wildlife resources shall be exercised subject to the provisions of KRS chapters 42, 45, 56 and 64, which chapters in all respects are controlling.

Section 9. KRS 152.020 is amended to read as follows:

(1) There is hereby created an agency of the state government to be known as the department of economic development, which shall constitute a department of the state government within the meaning of KRS chapter 12. The department shall consist of a commissioner and such administrative bodies and employes as are provided by law.

(2) The department, subject to the provisions of KRS 12.010 to 12.141, shall be organized into a *division* [~~an office of business development, an office of tourism development, an office~~] of community development, *a division of research and planning, a division of minority business, a division of small business assistance, a division of industrial development* and [~~a division of administrative services, and~~] such other divisions and sections as are from time to time deemed necessary for the proper and efficient operation of the department.

(3) The executive officer of the department shall be the commissioner of the department of economic development. The commissioner shall be appointed by the governor and shall serve at the pleasure of the governor. The commissioner shall have general supervision and direction over all activities and functions of the department and its employes, and shall be responsible for carrying out the programs and policies of the department. The commissioner shall be the chief executive officer of the department and, as such, shall have authority to enter into contracts, subject to the approval of the secretary of the commerce cabinet and the secretary of the department of finance, when such contracts are deemed necessary to implement and carry out the program of the department.

(4) The [~~office of business development shall be headed by an executive director appointed pursuant to KRS 12.050 and shall consist of a~~] division of research and planning, *the* [~~a~~] division of [~~small and~~] minority business [~~development~~], *the division of small business assistance and the* [~~a~~] division of industrial development *shall* [~~and the Kentucky port and river development commission,~~] each *be* headed by directors appointed pursuant to KRS 12.050.

[~~(5) The office of tourism development shall be headed by an executive director appointed pursuant to KRS 12.050 and shall consist of a division of marketing and information and a division of travel development each headed by directors appointed pursuant to KRS 12.050.~~]

(5)[~~(6)~~] The *division* [~~office~~] of community development shall be headed by *a* [~~an executive~~] director appointed pursuant to KRS 12.050. *The division shall be responsible for* [~~and shall consist of a division of community programs responsible for the administration of Title I of the Housing and Community Development Act of 1974 as amended through 1981, which includes the community development block grant program and the 107 technical assistance program, and a division of community assistance responsible for~~] community assistance and revitalization [~~and the administration of the governor's economic achievement recognition program each headed by a director appointed pursuant to KRS 12.050~~].

(6)[~~(7)~~] The *office* [~~division~~] of administrative services shall be headed by *an executive* [~~a~~] director appointed by the *secretary, with the approval of the governor,* [~~commissioner~~] pursuant to KRS 12.050 and shall provide administrative and fiscal service support and perform all personnel functions for both the department and the office of the secretary of the commerce cabinet.

Section 10. KRS 154.020 is amended to read as follows:

(1) There shall be a development finance authority in the state government which shall be known as the Kentucky development finance authority, which shall be an independent agency of the Commonwealth reporting to the secretary of the commerce cabinet, but not attached to any administrative department.

(2) The authority shall consist of the secretary of the commerce cabinet, *the secretary of the tourism cabinet,* and the secretary of the finance and administration cabinet, and eleven (11) at large members appointed by the governor. Of the eleven (11) at large members, three (3) shall be representative of industrial or manufacturing interests, three (3) shall be representative of agricultural interests, three (3) shall be representative of tourism interests and two (2) shall represent the public at large. The chairman shall be the secretary of the commerce cabinet who may appoint a deputy secretary of the commerce cabinet to serve as chairman. Each ex-officio member of the authority, as described in this section, may appoint in writing a substitute, who shall have full voting and other powers as a member of the authority or of the board, as the case may be. The writing by which the appointment is made shall be filed as a part of the records of the authority.

(3) The terms of all appointive members of the former industrial development finance authority shall be deemed to have expired as of midnight on June 30, 1978. The terms of the new appointed members of the Kentucky development finance authority shall commence as of July 1, 1978.

(4) Two (2) members initially appointed by the governor shall be appointed for a term of one (1) year, two (2) members for two (2), two (2) for three (3), and three (3) for four (4) years, respectively, from the date of their appointment and until their respective successors shall be duly appointed and qualified, the term of each appointed member to be designated by the governor at the time of his appointment. Their successors shall each be appointed for a term of four (4) years, except that any person appointed to fill a vacancy shall serve only for the unexpired term. Any appointed member of the authority shall be eligible for reappointment.

(5) Members of the authority shall be entitled to compensation for their services as members in the amount of one hundred dollars ($100) for each regular meeting of the authority, and shall be entitled to reimbursement for all necessary expenses incurred in connection with the performance of their duties as members.

Section 11. KRS 154.325 is amended to read as follows:

(1) The commission may appoint an executive director to be the chief administrative officer of the commission, and to assist in carrying out the functions and purposes of KRS 65.510 to 65.530, 139.483, 154.310 to 154.345. The executive director and other employes of the commission shall, for administrative purposes, be attached to the *division of community* [~~department of economic~~] development, under the supervision and control of the commissioner of economic development. The department of economic development shall furnish office space.

(2) The executive director shall be entitled to compensation set by the commission and shall be allowed travel, subsistence, and other expenses incurred in the performance of his duties as may be provided from time to time for other employes of the Commonwealth.

Section 12. KRS 247.100 is amended to read as follows:

(1) The state fair board shall be a body corporate with the usual corporate powers. *It shall be attached to the tourism cabinet for administrative purposes.* Full minutes and records shall be kept of all meetings of the board and all official actions of the board shall be recorded therein, and such minutes and records shall constitute public records and be available at all reasonable times for public inspection.

(2) A quorum of the board shall consist of five (5) members, and a majority of those present at any meeting of the board may act for the board upon any matter which may legally come before such meeting.

Section 13. The general assembly confirms the reorganization of state government effected by Executive Order 83-64 to the extent that such reorganization is not otherwise confirmed by this Act.

SB 357, AN ACT relating to the Kentucky housing corporation and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 198A IS CREATED TO READ AS FOLLOWS:

(1) The general assembly finds and determines that section 103A of the United States internal revenue code of 1954, as amended, places certain restrictions on the issuance by states and political subdivisions thereof of obligations the interest on which is exempt from federal income taxes for the purpose of providing mortgage financing for owner-occupied residences. Such restrictions include a limitation on the amount of such tax-exempt obligations, known as qualified mortgage bonds, that may be issued in a state during any calendar year. Pursuant to section 103A of the internal revenue code and regulations promulgated thereunder, in the absence of overriding state legislation fifty percent (50%) of the principal amount of qualified mortgage bonds which may be issued in the Commonwealth in any calendar year for such purposes is allocated to the corporation as the state housing finance agency of Kentucky and the remaining fifty percent (50%) of such allocation is allocated to units of government in the Commonwealth of Kentucky having the authority to issue qualified mortgage bonds other than the corporation.

(2) The general assembly further finds and determines that under proposed federal legislation to amend section 103A of the internal revenue code of 1954, as amended, an issuer of qualified mortgage bonds may elect not to issue all or a portion of its allocation of such authority and to issue in lieu thereof mortgage credit certificates pursuant to a qualified mortgage credit certificate program, pursuant to which the holders thereof are entitled to a credit against their federal income tax, such issuer's allocation in any such case being reduced by the amount of such tax-exempt obligations which the issuer elects not to issue.

(3) The general assembly further finds and determines that the authority of the governor of the Commonwealth of Kentucky under section 103A of the internal revenue code of 1954, as amended, to make allocations with regard to qualified mortgage bonds which may be issued in the Commonwealth during any calendar year has expired, and it is appropriate that legislation be enacted by the general assembly of the Commonwealth of Kentucky in order to determine formulas and criteria and adopt procedures for the determination and making of such allocations in the future.

SECTION 2. A NEW SECTION OF KRS CHAPTER 198A IS CREATED TO READ AS FOLLOWS:

In addition to all other powers which any unit of government in the Commonwealth of Kentucky which is authorized by law to issue tax-exempt obligations for the financing of owner-occupied residences, including the Kentucky housing corporation, may have, all such units of government are hereby authorized and empowered from time to time to issue mortgage credit certificates and establish qualified mortgage credit certificate programs to the extent authorized by section 25 or 103A of the internal revenue code of 1954, as *amended, as the same presently exists and as the same may exist in the future or to the extent authorized by any other federal law. The issuance by any such units of government of mortgage credit certificates and the establishment of qualified mortgage credit certificate programs shall be governed and regulated in all respects by federal law as same exists at the time any such mortgage credit certificates are issued.*

SECTION 3. A NEW SECTION OF KRS CHAPTER 198A IS CREATED TO READ AS FOLLOWS:

(1) As used in Sections 3 to 9 of this Act, the term "state ceiling" means with respect to any calendar year the aggregate amount of qualified mortgage bonds which may be issued in the Commonwealth for the financing of owner-occupied residences, subject to the limitation imposed by section 103A of the internal revenue code of 1954, as amended. Unless otherwise established in accordance with section 103A of the internal revenue code of 1954, as amended, the state ceiling shall be either:

(a) The amount published by the United States department of the treasury for the Commonwealth for the calendar year in which the obligations are issued; or

(b) If no such amount has been published for the calendar year in which the qualified mortgage bonds are issued, the amount last so published prior to the date of issuance of the qualified mortgage bonds.

(2) The first one hundred million dollars ($100,000,000) principal amount of qualified mortgage bonds of the state ceiling or fifty percent (50%) of the state ceiling, whichever is greater, is hereby allocated in each calendar year to the corporation, being the state housing finance agency of Kentucky, and the remainder of the state ceiling shall be allocated to counties of Kentucky in the manner determined in Section 4 of this Act.

SECTION 4. A NEW SECTION OF KRS CHAPTER 198A IS CREATED TO READ AS FOLLOWS:

(1) The allocation of the portion of the state ceiling to counties of Kentucky provided by Section 3 of this Act shall be made by executive order of the governor of the Commonwealth on or before February 1 of each calendar year and shall be calculated by multiplying the percentage allocation of each county determined to receive an allocation by the amount of the state ceiling allocated to counties. The percentage allocation for any county shall be initially determined on the basis of the average annual aggregate principal amount of mortgages executed in such county during any two (2) of the three (3) immediately preceding calendar years for single-family owner-occupied residences and the ratio that such average annual aggregate principal amount bears to the average annual aggregate principal amount of such mortgages executed in the entire Commonwealth of Kentucky determined in the same manner. In making such allocations to counties, the governor shall also take into consideration the extent to which it is likely that any county will use and apply its allocation either alone or in combination with other counties, the prior experience of any county in the issuance of qualified mortgage bonds for the financing of owner-occupied residences, including successful use and application of the proceeds of such bonds, required redemption of bonds because of nonplacement of mortgages and projected availability of uncommitted proceeds from prior qualified mortgage bond financings, and the likely use of proceeds in targeted areas as defined by Section 103A of the Internal Revenue Code, as amended. The governor may increase or reduce the initial determination of any county's percentage allocation as a result of the application of such criteria.

(2) In making determinations regarding allocations to counties using the foregoing criteria and formula, the governor may rely upon factual determinations and findings with regard to the above criteria and formula made by any unit of state government, including the corporation.

(3) The determination of the governor in respect of the making of allocations of the state ceiling to counties in Kentucky in each calendar year shall be final and conclusive.

SECTION 5. A NEW SECTION OF KRS CHAPTER 198A IS CREATED TO READ AS FOLLOWS:

(1) On or before September 1 of the calendar year preceding the calendar year for which an allocation of the state ceiling is to be made to counties, the corporation, on behalf of the governor and in accordance with procedures established by the governor, shall advise each county in Kentucky in writing of the availability of a portion of the state ceiling to counties. Any county wishing to request an allocation of a portion of the state ceiling must, by the following December 1, adopt a resolution expressing its intention to issue qualified mortgage bonds or to combine with one or more additional counties in such issuance or, as appropriate, to establish a qualified mortgage credit certificate program. Such resolutions, together with definitive further information and data from or on behalf of the county or counties in support of the requests for allocations of a portion of the state ceiling, shall be filed with the corporation, acting on behalf of the governor, and shall describe the proposed program (and the need and demand therefor) for the financing of which qualified mortgage bonds are proposed to be issued by the county or counties. Such information and data shall identify targeted areas within such county or counties, as defined in section 103A of the internal revenue code of 1954, as amended, and shall be kept current on a regular basis by any such county or counties.

(2) In order to promote economies in the issuance of qualified mortgage bonds, two (2) or more counties may join together for the purpose of issuing qualified mortgage bonds, in which event bonds in the

principal amount equal to the sum of the aggregate allocations of the state ceiling of such counties may be issued, the proceeds thereof to be apportioned among such counties as they may agree.

SECTION 6. A NEW SECTION OF KRS CHAPTER 198A IS CREATED TO READ AS FOLLOWS:

Any county or counties to which an allocation of the state ceiling has been made pursuant hereto may, at the option of such county or counties, request that the corporation issue qualified mortgage bonds for and on behalf of such county or counties, using such county or counties' allocation of the state ceiling, and apply the proceeds thereof only within such specified county or counties. In the event the corporation determines to issue such qualified mortgage bonds at the request of any such county or counties, the income guidelines and other program guidelines of the corporation shall be applicable in respect of any such financing, the allocation made to the corporation of the state ceiling for such calendar year shall not be reduced by the amount of such financing, and the principal amount of such financing shall not be deemed to reduce the then existing bonding capacity of the corporation.

SECTION 7. A NEW SECTION OF KRS CHAPTER 198A IS CREATED TO READ AS FOLLOWS:

(1) In the event any county which has received an allocation of the state ceiling has not issued qualified mortgage bonds for the financing thereof or established and fully implemented a qualified mortgage credit certificate program by September 30 of calendar year 1984, and by September 1 of the successive calendar years for which the allocation is made, such allocation shall lapse and revert to the Commonwealth and be automatically allocated to the corporation.

(2) Any county which has received an allocation of the state ceiling shall, at such time as it is apparent that such allocation will not be used by such county either alone or in combination with one or more additional counties, advise the corporation, acting on behalf of the governor, that such county will not be able to utilize all or a portion of such allocation. At such time such allocations shall lapse and revert to the Commonwealth and be automatically allocated to the corporation. The corporation shall, within ten (10) days of receipt of the advice of such lapsed allocation, send written notification of the lapsed amount to all counties which have filed a resolution of intention to issue qualified mortgage bonds or qualified mortgage credit certificates. Upon receipt by the corporation, within twenty (20) days of the date of such notification, of a written request from one (1) or more counties for the allocation of the lapsed amount, the lapsed amount may be allocated to one (1) or more such counties by the governor.

SECTION 8. A NEW SECTION OF KRS CHAPTER 198A IS CREATED TO READ AS FOLLOWS:

The allocation of the portion of the state ceiling to counties provided by Section 3 of this Act for calendar year 1984 shall be made in accordance with the criteria and formula set forth in Section 4 of this Act pursuant to procedures prescribed by executive order of the governor without regard to the time limitations set out in Section 5 of this Act.

SECTION 9. A NEW SECTION OF KRS CHAPTER 198A IS CREATED TO READ AS FOLLOWS:

The corporation may provide in any of its issues of bonds or notes that all or a portion of the proceeds thereof shall be allocated to the making or purchasing of insured mortgage loans made to veterans, pursuant to such criteria and standards as shall be prescribed by the board of directors of the corporation.

Section 10. KRS 198A.010 is amended to read as follows:

The following words and terms, unless the context clearly indicates a different meaning, shall have the following respective meanings:

(1) "Bonds" or "notes" means the bonds or bond anticipation notes authorized to be issued by the corporation under this chapter but shall not include any fund notes;

(2) "Commonwealth" means the Commonwealth of Kentucky;

(3) "Corporation" means the Kentucky housing corporation created by this chapter;

(4) "Sponsors" means persons, corporations, associations, partnerships or other entities, consumer housing cooperatives and limited dividend housing corporations, associations, partnerships or other entities organized pursuant to the Kentucky Revised Statutes for the primary purpose of providing housing to persons and families of lower and moderate income, and shall include without limitation, organizations engaged in the production, origination and development of residential housing units intended to qualify for financial assistance pursuant to Section 8 of the United States Housing Act of 1937, as amended;

(5) "Development costs" means the costs approved by the corporation as appropriate expenditures and credits which may be incurred by sponsors of residential housing, prior to commitment and initial advance of the proceeds of a construction loan or of a mortgage loan, including but not limited to:

(a) Payments for options to purchase properties on the proposed residential housing site, deposits on contracts of purchase, or, with prior approval of the corporation, payments for the purchase of such properties;

(b) Legal and organizational expenses, including payments of attorney's fees, project manager, clerical and other staff salaries, office rent and other incidental expenses;

(c) Payment of fees for preliminary feasibility studies and advances for planning, engineering and architectural work;

(d) Expenses for tenant surveys and market analyses;

(e) Necessary application and other fees; and

(f) Credits allowed by the corporation to recognize the value of service provided at no cost by the sponsors, builders and/or developers;

(6) "Fund notes" means the notes authorized to be issued by the corporation under the provisions of KRS 198A.080;

(7) "Governmental agency" means any city, county, or other political subdivision of the Commonwealth, the Commonwealth and any department, division or public agency thereof, the federal government or any political subdivision of any other state, any public housing authority or any nonprofit corporation or other entity legally empowered to act on behalf of any of the foregoing to perform the duties of a public housing authority, or any two (2) or more thereof;

(8) "Housing development fund" means the housing development fund created by KRS 198A.080;

(9) "Insured construction loan" means a construction loan for land development or residential housing which is secured by a mortgage either insured or guaranteed by or for which there is a commitment to insure or guarantee by (a) the United States of America or any agency or instrumentality thereof; or (b) any other entity which has been duly approved for the insuring of such loans by the United States of America or by the Commonwealth of Kentucky or any agency or instrumentality thereof;

(10) "Insured mortgage" or "insured mortgage loan" means a mortgage loan for land development for residential housing or for residential housing either made, insured or guaranteed by or for which there is a commitment to make, insure and guarantee by (a) the United States of America or any agency or instrumentality thereof; or (b) any other entity, including private mortgage insurance, which has been duly approved for the insuring of such loans by the United States of America or by the Commonwealth or any agency or instrumentality thereof and shall also refer to and mean any loan for residential housing not secured by mortgage which is insured or guaranteed to at least eighty-five percent (85%) of its principal amount by the United States of America or any agency or instrumentality thereof;

(11) "Land development" means the process of acquiring land primarily for residential housing construction for persons and families of lower and moderate income and making, installing or constructing nonresidential housing improvements, including water, sewer and other utilities, roads, streets, curbs, gutters, sidewalks, storm drainage facilities and other installations or works, whether on or off the site, which the corporation deems necessary or desirable to prepare such land primarily for residential housing construction;

(12) "Obligations" means any bonds, bond anticipation notes or fund notes authorized to be issued by the corporation under the provisions of this chapter;

(13) "Persons and families of lower and moderate income" *means gross annual income shall not exceed:*

(a) Twenty-four thousand dollars ($24,000), plus

(b) One thousand five hundred dollars ($1,500) for head of household status, if applicable, plus one thousand five hundred dollars ($1,500) for each dependent living in the household, plus

(c) Two thousand five hundred dollars ($2,500) if the residence is in designated eastern Kentucky counties [~~shall include only those individuals whose family income combined does not exceed twenty-five thousand dollars ($25,000) per year, or as shall be determined from time to time by the legislative program review and investigations committee of the Kentucky general assembly established as set forth in KRS 6.905~~];

(14) "Residential housing" means a specific work or improvement undertaken primarily to provide dwelling accommodations for persons and families of lower and moderate income, including the acquisition, construction or rehabilitation of land, buildings and improvements thereto, and such other non-housing facilities as may be incidental or appurtenant thereto; and

(15) "Tenant programs and services" means services and activities for persons and families living in residential housing, including the following:

(a) Counseling on household management, housekeeping, budgeting, and money management;

(b) Child care and similar matters;

(c) Access to available community services related to job training and placement, education, health, welfare, and other community services;

(d) Guard and other matters related to the physical security of the housing residents;

(e) Effective management-tenant relations, including tenant participation in all aspects of housing administration, management and maintenance;

(f) Physical improvements of the housing, including buildings, recreational and community facilities, safety measures, and removal of code violations;

(g) Advisory services for tenants in the creation of tenant organizations which will assume a meaningful and responsible role in the planning and carrying out of housing affairs;

(h) Procedures whereby tenants, either individually or in a group, may be given a hearing on questions relating to management policies and practices, either in general or in relation to an individual or family.

Section 11. KRS 198A.090 is amended to read as follows:

(1) The corporation is hereby authorized to provide for the issuance, at one (1) time or from time to time, of bonds of the corporation in an amount not to exceed seven hundred million dollars ($700,000,000) to carry out and effectuate its corporate purposes and powers except as provided for in subsection (2) of this section.

(2) The corporation is hereby authorized to provide for the issuance of an additional four hundred twenty-five million dollars ($425,000,000) in bonds of the corporation [~~with the consent of a majority of the legislative program review and investigations committee of the Kentucky general assembly established as set forth in KRS 6.905. The legislative program review and investigations committee shall oversee in its entirety the bonding program herein set forth~~].

(3) In anticipation of the issuance of such bonds the corporation also is hereby authorized to provide for the issuance, at one (1) time or from time to time, of bond anticipation notes. The principal of and the interest on such bonds or notes shall be payable solely from the funds herein provided for such payment. Any such notes may be made payable from the proceeds of bonds or renewal notes or, in the event bond or renewal note proceeds are not available, such notes may be paid from any available revenues or assets of the corporation.

(4) The bonds or notes of each issue shall be dated and may be made redeemable before maturity at the option of the corporation at such price or prices and under such terms and conditions as may be determined by the corporation. Any such bonds or notes shall bear interest at such rate or rates as may be determined by the corporation. Notes shall mature at such time or times not exceeding ten (10) years from their date or dates and bonds shall mature at such time or times not exceeding forty (40) years from their date or dates, as may be determined by the corporation. The corporation shall determine the form and manner of execution of the bonds or notes, including any interest coupons to be attached thereto, and shall fix the denomination or denominations and the place or places of payment of principal and interest, which may be any bank or trust company within or without the Commonwealth. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or notes or coupons attached thereto shall cease to be such officer before the delivery thereof, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. The corporation may also provide for the authentication of the bonds or notes by a trustee or fiscal agent. The bonds or notes may be issued in coupon or in registered form, or both, as the corporation may determine, and provision may be made for the registration of any coupon bonds or notes as to principal alone and also as to both principal and interest, and for the reconversion into coupon bonds or notes of any bonds or notes registered as to both principal and interest, and for the interchange of registered and coupon bonds or notes. Upon the approval of a resolution of the corporation, authorizing the sale of its bonds or notes, such bonds or notes may be sold in such manner, either at public or private sale, and for such price as said corporation shall determine to be for the best interest of the corporation and best effectuate the purposes of this chapter provided that such sale shall be approved by the corporation.

(5) The proceeds of any bonds or notes shall be used solely for the purposes for which issued and shall be disbursed in such manner and under such restrictions if any, as the corporation may provide in the resolution authorizing the issuance of such bonds or notes or in the trust agreement hereinafter mentioned securing the same.

(6) Prior to the preparation of definitive bonds, the corporation may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The corporation may also provide for the replacement of any bonds or notes which shall become mutilated or shall be destroyed or lost.

(7) Bonds or notes may be issued under the provisions of this chapter only upon obtaining the approval of the *office of investment and debt management as required by KRS 42.420* [~~legislative program review and investigations committee of the Kentucky general assembly~~].

(8) The department of finance shall provide to the corporation such fiscal consultant services regarding revenue bond management as may be necessary.

(9) Housing programs of a nature not previously financed under the provisions of this chapter shall be submitted for review by the interim joint committee on banking and insurance of the Kentucky legislative research commission, sitting between regular sessions of the general assembly.

Section 12. KRS 198A.200 is amended to read as follows:

The Kentucky housing corporation has been duly created as a de jure municipal corporation and political subdivision of the Commonwealth of Kentucky. *As the corporation will in all respects be performing essential governmental and public functions, the corporation shall not be required to pay any taxes or assessments upon any of its property, real, personal or mixed, nor upon the income therefrom, and bonds, notes or other obligations issued by the corporation under this chapter, the income thereon, and the transfer thereof, including any profit made on the sale thereof, shall at all times be exempt from taxation or* *assessment of any type by the Commonwealth, its agencies and departments, and by all political subdivisions within the state.* Accordingly, the Kentucky housing corporation shall not be required to pay any taxes and assessments to the Commonwealth of Kentucky, or any county, municipality or other governmental subdivision of the Commonwealth of Kentucky, upon any of its property or upon its obligations or other evidences of indebtedness pursuant to the provisions of this chapter, or upon any monies, funds, revenues or other income held or received by the corporation and the notes and bonds of the corporation and the income therefrom shall at all times be exempt from taxation, except for death and gift taxes and taxes of transfers; provided, however, that real property owned by the Kentucky housing corporation shall be exempt from all property taxation and special assessments of the state or political subdivisions thereof, but the corporation may agree to pay, in lieu of such taxes, such amounts as the corporation finds consistent with the cost to the state or political subdivision of supplying municipal services to the housing development and maintaining the economic feasibility of the housing development, which payments such bodies are hereby authorized to accept.

Section 13. Whereas, the authority of the governor of Kentucky to make allocations of the state ceiling pursuant to section 103A of the United States internal revenue code of 1954, has expired, and it is necessary that the Commonwealth enact legislation to enable allocations of the state ceiling to continue to be made, an emergency is declared to exist, and Sections 1 to 8 of this Act shall become effective upon its passage and approval by the governor.

SB 415, AN ACT relating to state government.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 12.020 is amended to read as follows:

Departments, program cabinets (and their departments) and the respective major administrative bodies that they include are enumerated in this section. It is not intended that this enumeration of administrative bodies be all-inclusive. Every authority, board, bureau, interstate compact, commission, committee, conference, council, office or any other form of organization shall be included in or attached to the department or program cabinet in which they are included or to which they are attached by statute or statutorily authorized executive order, provided, however, in the case of the personnel board, and where the attached department or administrative body is headed by a constitutionally elected officer such attachment shall be solely for the purpose of dissemination of information and coordination of activities and shall not include any authority over the functions, personnel, funds, equipment, facilities, or records of such department or administrative body.

I. Cabinet for general government - Departments headed by elected officers:
1. The governor.
2. Lieutenant governor.
3. Department of state.
(a) Secretary of state.
(b) Board of elections.
4. Department of law.
(a) Attorney general.
5. Department of the treasury.
(a) Treasurer.
6. Department of agriculture.
(a) Commissioner of agriculture.
7. Department of education.
(a) Superintendent of public instruction.
(b) State board of education.
8. Auditor of public accounts.
9. Railroad commission.
II. Program cabinets headed by appointed officers:
1. Justice cabinet:
(a) [~~Department of public advocacy.~~
~~(b)~~] Department of state police.
(b)[~~(c)~~] Department of training.
(c)[~~(d)~~] Office of administration.
2. Education and humanities cabinet:
(a) Department for the blind.
(b) Department of education.

(c) Department for libraries and archives.
(d) Commission on human rights.
(e) Kentucky commission on women.
(f) State advisory council for vocational education.
(g) Kentucky industries for the blind.
(h) Kentucky educational television.
(i) Kentucky historical society.
(j) Kentucky teachers retirement system board of trustees.
(k) Kentucky school building authority.
3. Natural resource and environmental protection cabinet:
(a) Environmental quality commission.
(b) Kentucky nature preserves commission.
(c) Department for environmental protection.
(d) Department for natural resources.
(e) Department for surface mining reclamation and enforcement.
(f) [~~Office of special projects.~~
~~(g)~~ ~~Office of administration.~~
~~(h)~~] Office of general counsel.
(g)[~~(i)~~] Office of communications and community affairs.
4. Transportation cabinet:
(a) Department of highways.
(b) Department of vehicle regulation.
(c) *Department* [~~Office~~] of *administrative services* [~~administration and legal affairs~~].
(d) *Department of fiscal management* [~~Office of comptroller~~].
(e) *Department of rural and municipal aid* [~~Office of legal affairs~~].
(f) *Office of aeronautics* [~~Kentucky turnpike authority~~].
(g) *Office of general counsel* [~~Kentucky housing corporation~~].
(h) Office of minority affairs.
(i) Office of personnel management.
(j) Office of public relations.
(k)[~~(h)~~] Kentucky airport zoning commission.
5. Commerce cabinet:
(a) Department of economic development.
(b) Department of the arts.
(c) *Department of agriculture (headed by an elected official)* [~~Department of fish and wildlife resources~~].
(d) *Tobacco research board* [~~Department of parks~~].
(e) Kentucky development finance authority.
[~~(f)~~ ~~Kentucky horse park.~~]
6. Public protection and regulation cabinet:
(a) Public service commission.
(b) Department of insurance.
(i) Custodian of insurance securities.
(c) [~~Department of labor.~~
~~(i)~~ ~~Workers compensation board.~~
~~(ii)~~ ~~Occupational safety and health standards board.~~
~~(iii)~~ ~~State labor relations board.~~
~~(d)~~] Department of housing, buildings, and construction.
(d)[~~(e)~~] Department of banking and securities.
(e)[~~(f)~~] Department for mines and minerals.
(f)[~~(g)~~] Department for alcoholic beverage control.
(g) Department of public advocacy.
(h) Kentucky harness racing commission.
(i) Kentucky state racing commission.
(j) [~~Kentucky occupational safety and health review commission.~~
~~(k)~~] Registry of election finance.
(k)[~~(l)~~] Board of claims.
(l)[~~(m)~~] Crime victims compensation board.
(m)[~~(n)~~] Kentucky board of tax appeals.
(n)[~~(o)~~] Backside improvement commission.
7. Cabinet for human resources:
(a) Department for health services.

(b) Department for *employment* [~~manpower~~] services.
(c) Department for social insurance.
(d) Department for social services.
(e) Unemployment insurance commission.
(f) Public assistance appeals board.
(g) Office of administrative services.
(h) Office of communications and council affairs.
(i) Office of general counsel.
(j) Office of inspector general.
(k) Office of policy and budget.
(l) Office of the ombudsman.
8. Finance and administration cabinet:
(a) Office *of legal and legislative services* [~~for policy management~~].
(b) Office *of management services* [~~for program administration~~].
(c) *Office of historic properties.*
(d) Department for administration.
(e)[~~(d)~~] Department of facilities management.
[~~(e) Department of personnel.~~]
(f) Department of information systems.
(g) State property and buildings commission.
(h) Kentucky pollution abatement authority.
(i) Kentucky savings bond authority.
(j) Deferred compensation systems.
(k) Office of equal employment opportunity contract compliance.
(l) Capital plaza authority.
(m) County officials compensation board.
(n) Financial disclosure review commission.
(o) Kentucky employes retirement systems.
(p) Commonwealth credit union.
(q) State investment commission.
(r) Kentucky housing corporation.
(s) Kentucky higher education assistance authority.
(t) Governmental services center.
(u) Kentucky local correctional facilities construction authority.
(v) Kentucky turnpike authority.
9. Energy [~~and agriculture~~] cabinet:
(a) [~~Department of agriculture (headed by elected officer).~~
~~(b)~~] Department of energy production and utilization.
(b)[~~(c)~~] Department of energy research and development.
(c)[~~(d)~~] Office of administration.
(d)[~~(e)~~] Office of *energy* policy and evaluation.
[~~(f) Kentucky state fair board.~~
~~(g) Kentucky council on agriculture.~~
~~(h) Kentucky fair and exposition center.~~
~~(i) Tobacco research board.~~]
10. Corrections cabinet:
(a) Parole board.
(b) Commission on corrections and community services.
(c) Department of adult correctional institutions.
(d) *Department* [~~Office~~] of community services *and facilities.*
(e) Office of administrative services.
(f) Office of corrections training.
(g) Office of general counsel.
11. Labor cabinet:
(a) Department of workplace standards.
(b) Department of workers' claims.
(c) Kentucky labor-management advisory council.
(d) Occupational safety and health standards board.
(e) Prevailing wage board.
(f) Workers' compensation board.
(g) Kentucky employes insurance association.
(h) Apprenticeship and training council.

(i) State labor relations board.
(j) Kentucky occupational safety and health review commission.
(k) Office of administrative services.
(l) Office of labor management relations.
(m) Office of general counsel.
12. Revenue cabinet.
(a) Department of property taxation.
(b) Department of processing and enforcement.
(c) Department of professional and support services.
(d) Office of revenue estimating.
13. Tourism cabinet:
(a) Department of travel development.
(b) Department of parks.
(c) Department of fish and wildlife resources.
(d) Kentucky horse park.
(e) State fair board.
(f) Office of administrative services.
(g) Office of general counsel.
III. Other departments headed by appointed officers:
1. Department of military affairs.
2. [~~Department of revenue.~~
~~3.~~] Council on higher education.
3.[~~4.~~] Department of local government.

Section 2. KRS 12.023 is amended to read as follows:

The following organizational units and administrative bodies shall be attached to the office of the governor:

(1) Council on higher education (The state universities and colleges shall report through the council on higher education).
(2) Department of military affairs.
(3) [~~Department of revenue.~~
~~(4)~~] Department of local government.
(4) Kentucky council on agriculture.

Section 3. KRS 12.250 is amended to read as follows:

There are established within state government the following program cabinets:

(1) Justice cabinet.
(2) Education and humanities cabinet.
(3) Natural resource and environmental protection cabinet.
(4) Transportation cabinet.
(5) Commerce cabinet.
(6) Public protection and regulation cabinet.
(7) Cabinet for human resources.
(8) Finance and administration cabinet.
(9) Energy [~~and agriculture~~] cabinet.
(10) Corrections cabinet.
(11) Labor cabinet.
(12) Revenue cabinet.
(13) Tourism cabinet.

SECTION 4. A NEW SECTION OF KRS CHAPTER 12 IS CREATED TO READ AS FOLLOWS:

The following organizational units and administrative bodies shall be attached to the office of the secretary of the cabinet.

(1) Office of special assistant to the governor for budget and management.
(2) Department of personnel.

The Committee Amendment No. 1 to **SB 415** is as follows:

Amend printed copy of **SB 415** on page 2, between lines 12 and 13, by inserting "*(b) Council on agriculture*"; and on page 10, by deleting line 1.

SJR 60, A JOINT RESOLUTION authorizing and directing the Governor of the Commonwealth of Kentucky annually to proclaim the year to be the "Year of the Bible."

WHEREAS, of the many influences that have shaped the Commonwealth of Kentucky into a distinctive people, none may be said to be more fundamental and enduring than the Bible; and

WHEREAS, the Congress of the United States of America has adopted a "Year of the Bible" resolution in recognition of the unique contributions of the Bible in shaping the history and character of this nation; and

WHEREAS, over 65 Kentucky mayors are issuing annual "Year of the Bible" proclamations to promote awareness of our Bible heritage; and

WHEREAS, twenty-six states and over five hundred cities have issued "Year of the Bible" proclamations; and

WHEREAS, two thousand cities have sponsored "Year of the Bible" celebrations; and

WHEREAS, many of our greatest national leaders - among them Presidents Washington, Jackson, Lincoln, and Wilson - have recognized the influence of the Bible on our country's development. The plainspoken Andrew Jackson referred to the Bible as no less than "the rock on which our Republic rests"; and

WHEREAS, today our nation, and indeed, our world is facing a decade of enormous challenge. As a people we may well be tested as we have seldom, if ever, been tested before. We will need resources of spirit even more than resources of technology, education, and armaments. There could be no more fitting moment than now to reflect with gratitude, humility, and urgency upon the wisdom revealed to us in the writing that Abraham Lincoln called "the best gift God has ever given to man...But for it we could not know right from wrong."; and

WHEREAS, the Bible and its moral law helped form the basis for the English systems of law inherited by our own nation, as well as the ideals set forth in the Declaration of Independence and the Constitution; and

WHEREAS, the preamble to the Kentucky Constitution is rooted in Bible teachings concerning the sovereignty of God over all institutions; and

WHEREAS, our state motto, "United We Stand, Divided We Fall" was derived from the teachings of the Holy Scriptures; and

WHEREAS, many Kentucky cities, towns, and streets have been named after individuals and places found in the Old and New Testaments of the Holy Scriptures;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That each Governor of the Commonwealth of Kentucky is authorized and directed annually to designate the year as the "Year of the Bible" in recognition of the formative influence of the Bible in American and Kentucky history, its ongoing contribution to the development of our laws, institutions, and traditions, and to encourage every Kentuckian to read, study, and apply the teachings of Holy Scripture.

SCR 78, A CONCURRENT RESOLUTION designating Soc Clay as a Poet Laureate.

WHEREAS, Soc Clay, a full-time free lance writer and photographer from South Shore, has received numerous craft awards over a period of years; and

WHEREAS, Soc Clay has served as president of the Southeastern Outdoor Press Association, the Outdoor Writers of America, the Outdoor Writers of Kentucky, and the Outdoor Writers of Ohio; and

WHEREAS, Soc Clay has received various awards from these organizations for his columns and articles;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That Soc Clay of South Shore, Kentucky, be designated a Poet Laureate for the Commonwealth of Kentucky.

Section 2. That a copy of this resolution be sent by the clerk to Soc Clay.

SB 45, AN ACT relating to the Kentucky employes' retirement system.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 61.552 is amended to read as follows:

(1) Any employe of a department participating in the Kentucky employes' retirement system, or any employe of an agency participating in the county employes' retirement system, or any member of the state police retirement system, or any active contributing member of the teachers' retirement system or a contributing member of the judicial retirement plan or legislators' retirement plan or an employe of a parted employer whose employment has previously been terminated and who has been refunded his accumulated contributions, thereby losing service credit, may regain such credit by paying to the system from which he received the refund or refunds the amount or amounts refunded with interest at a rate determined by the board of the respective retirement system provided, however, the provisions of KRS 161.470 must be met in order to regain such credit in the teachers' retirement system and provided further that KRS 21.460 shall govern with respect to regaining credit in the judicial retirement plan or legislators' retirement plan. Such payment including interest as determined by the board shall be deposited to the member's contribution account and considered as accumulated contributions of the individual member. Such payments shall not be picked up, as described in KRS 61.560(4), by the employer.

(2) Any employe of a county participating in the county employes' retirement system or any former county employe who is an employe of a participating department in the Kentucky employes' retirement system or a contributing member of the state police retirement system, teachers' retirement system, judicial retirement plan or legislators' retirement plan who did not elect membership in the county employes' retirement system as provided in subsection (2) of KRS 78.540 may obtain credit in the county employes' retirement system for prior service and for current service by paying to the county employes' retirement system a delayed contribution payment for the service he would have received had he elected membership. The delayed contribution payment shall not be picked up, as described in KRS 61.560(4), by the employer.

(3) Any employe of a participating department or any former state employe who is an employe of a county participating in the county employes' retirement system or a contributing member of the state police retirement system, teachers' retirement system, judicial retirement plan or legislators' retirement plan who did not elect membership in the Kentucky employes' retirement system as provided in subsection (2) of KRS 61.525 may obtain credit in the Kentucky employes' retirement system for prior service and for current service by paying to the system a delayed contribution payment for the service he would have received had he elected membership. The delayed contribution payment shall not be picked up, as described in KRS 61.560(4), by the employer.

(4) An employe of a participating department which did not participate in the system effective July 1, 1956, or any former state employe who is an employe of a county participating in the county employes' retirement system or a contributing member of the state police retirement system, teachers' retirement system, judicial retirement plan or legislators' retirement plan may obtain credit in the Kentucky employes' retirement system for current service between July 1, 1956, and the effective date of participation of his department by paying to the system a delayed contribution payment for the service he would have received had his department participated on July 1, 1956. The delayed contribution payment shall not be picked up, as described in KRS 61.560(4), by the employer.

(5) An employe of a county participating in the county employes' retirement system which did not participate in the system effective July 1, 1958, or any former county employe who is an employe of a department participating in the Kentucky employes' retirement system or a contributing member of the state police retirement system, teachers' retirement system, judicial retirement plan or legislators' retirement plan may obtain credit in the county employes' retirement system for current service between July 1, 1958, and the effective date of participation of his county by paying to the county employes' retirement system a delayed contribution payment for the services he would have received had his county participated on July 1, 1958. The delayed contribution payment shall not be picked up, as described in KRS 61.560(4), by the employer.

(6) Effective January 1, 1975, service credit obtained under subsections (1) to (5) of this section shall be disallowed and the recontribution of refund including interest as determined by the board and the delayed contribution payment, if any, shall be paid to the member, upon request, or in the event of his death to his properly designated beneficiary if the member does not obtain for service performed six (6) months current service credit in either the Kentucky employes' retirement system, county employes' retirement system, state police retirement system, teachers' retirement system, judicial retirement plan or legislators' retirement plan, or as an employe of a parted employer.

(7) Any employe of a county participating in the county employes' retirement system, or any employe of a department participating in the Kentucky employes' retirement system, who has obtained for service performed six (6) months current service credit in either retirement system, who formerly worked for a state university in a position which would have qualified as a regular full-time position had the university been a participating department, and who did not have the option to be covered at the university by an advance funded retirement program in which he could vest during his period of employment, or did not participate in a retirement system which can be consolidated with other accounts pursuant to KRS 61.680(2), may obtain credit in the county employes' retirement system or the Kentucky employes' retirement system for prior and current service by paying either retirement system a delayed contribution payment for the service he would

have received had his period of university employment been covered by the county employes' or Kentucky employes' retirement system. The delayed contribution payment shall not be picked up, as described in KRS 61.540(4), by the employer.

(8) (a) Effective August 1, 1980, any county participating in the county employes' retirement system may purchase current service, between July 1, 1958 and participation date of the county, for present employes of the county who have obtained coverage under KRS 78.540(2).

(b) Effective July 1, 1973, any department participating in the Kentucky employes' retirement system may purchase current service between July 1, 1956 and participation date of the department, for present employes of the department who were employes on the participation date of the department and elected coverage under KRS 61.525(2).

(c) Cost of the service credit purchased under this subsection shall be determined by computing the discounted value of the additional service credit based on an actuarial formula recommended by the board's consulting actuary and approved by the board. A department shall make payment for such service credit within the same fiscal year in which the option is elected. The county shall establish a payment schedule subject to approval by the board for payment of such service credit. The maximum period allowed in a payment schedule shall be ten (10) years with interest at the rate actuarially assumed by the board; however, a shorter period is desirable and the board may approve any schedule provided it is not longer than a ten (10) year period.

(d) If a county or department elects the provisions of this subsection any present employe who would be eligible to receive service credit under the provisions of this subsection and has purchased service credit under subsections (4) or (5) of this section shall have his payment for such service credit refunded with interest at the rate paid under KRS 61.575 or KRS 78.640.

(e) Any payments made by a county or department under this subsection shall be deposited to the retirement allowance account of the proper retirement system and these funds shall not be considered accumulated contributions of the individual members.

(9) Interest paid by a member of the Kentucky employes' retirement system, county employes' retirement system, or state police retirement system under this section or other similar statutes under KRS 16.505 to 16.652 or 61.510 to 61.705 or 78.510 to 78.852 prior to June 19, 1976 shall be credited to the individual member's contribution account in the appropriate retirement system and considered as accumulated contributions of the member.

(10) Members who served as assistants to officers and employes of the general assembly who were unable to acquire service under KRS 61.510(20) may purchase credit for such service performed after January 1, 1960, provided the service purchased when added to other accumulated service will total at least forty-eight (48) months. Service credit under this section shall be obtained by the payment of a delayed contribution which shall not be picked up by the employer as described in KRS 61.560(4).

SB 157, AN ACT relating to reorganization.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 11 IS CREATED TO READ AS FOLLOWS:

(1) There is created an agency of state government known as the office of the special assistant to the governor for budget and management. The office shall be attached for administrative purposes to the office of the secretary of the cabinet.

(2) The office shall include the following major organizational units:

(a) The office of special assistant to the governor for budget and management, headed by the special assistant to the governor for budget and management. The special assistant shall be appointed by the governor pursuant to KRS 11.040 and shall serve, under direction of the governor and secretary of the cabinet, as state budget director and secretary of the state planning committee. The office shall include such principal assistants and supporting personnel appointed pursuant to KRS Chapter 12 as may be necessary to carry out the functions of the office. The office shall have such duties, rights and responsibilities as are necessary to perform, without being limited to, the following functions:

1. Functions relative to the preparation, administration, and evaluation of the executive budget as provided in KRS Chapters 45 and 48 and in other laws, including but not limited to, capital construction budgeting, evaluation of state programs, program monitoring, financial and policy analysis and issue review, and executive policy implementation and compliance;

2. Continuous evaluation of statewide management and administrative procedures and practices, including but not limited to, organizational analysis and review, economic forecasting, technical assistance to state agencies, forms control, and special analytic studies as directed by the secretary of the cabinet or the *governor; and*

3. Staff planning functions of the state planning committee and evaluation of statewide management and administrative practices and procedures.

(b) Governor's office for policy and management, which shall be headed by an executive director who shall be appointed by the governor pursuant to KRS 12.040. The executive director shall report to the secretary of the cabinet through the special assistant to the governor for budget and management. The executive director shall maintain staff employed pursuant to KRS Chapter 18A sufficient to carry out the functions of the office relating to state budgeting as provided in paragraph (a) of this subsection and state planning as provided in KRS Chapter 147, review of administrative regulations proposed by executive agencies prior to filing pursuant to KRS Chapter 13 and such other duties as may be assigned by the special assistant to the governor for budget and management, the secretary of the cabinet or the Governor.

(c) Governor's office for program administration, which shall assist the special assistant to the governor for budget and management in carrying out his functions and duties pertaining to the coordination of activities of state government for their effective and efficient administration. The office shall be headed by an executive director appointed by the governor pursuant to KRS 12.040. The executive director shall report to the secretary of the cabinet through the special assistant to the governor for budget and management. The organization of the office shall be established by the executive director with the approval of the special assistant to the governor for budget and management. Persons employed in the office shall be deemed to be employes of the governor within the meaning of KRS Chapters 11, 12, and 18A.

Section 2. KRS 42.014 is amended to read as follows:

(1) There is established within the cabinet [~~the office for policy and management which shall be headed by a deputy secretary,~~] the department for administration which shall be headed by a commissioner, and the department for facilities management which shall be headed by a commissioner, each of whom shall be responsible to the secretary and appointed by the secretary upon the approval of the governor. Each of these offices may have at least one major assistant not in the classified service.

(2) There shall be a division of management services which division is hereby established in the office of the secretary. The division of management services shall be headed by a director appointed by the secretary pursuant to the provisions of KRS 12.050. The division and its director shall have such duties and responsibilities as assigned by the secretary and shall be responsible to and report to the secretary.

(3) The secretary shall establish the internal organization and assignment of functions which are not established by statute, and shall divide the cabinet into such offices, bureaus, divisions or other units as the secretary may deem necessary to perform the functions, powers and duties of the department, subject to the provisions of KRS Chapter 12.

Section 3. KRS 147.075 is amended to read as follows:

As used in KRS 147.070 to 147.120 the term "governor's cabinet" shall mean the "governor's executive cabinet" and such other persons as the governor may designate to compose the membership of the "state planning committee." The governor shall serve as chairman of the state planning committee, the secretary of the commerce cabinet shall serve as vice-chairman, and *the special assistant to the governor for budget and management* [~~the director of the office for policy and management~~] shall serve as secretary.

Section 4. The following KRS sections are repealed:

42.022 Functions and duties of deputy secretary for the office for policy and management.

147.072 Office for program administration -- Organization and duties.

Section 5. The General Assembly confirms Executive Order 83-24 to the extent it is not otherwise confirmed by this Act.

SB 352, AN ACT relating to state government.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 11.065 is amended to read as follows:

(1) The secretaries of the justice cabinet, the education and humanities cabinet, the natural resource and environmental protection cabinet, the transportation cabinet, the commerce cabinet, the public protection and regulation cabinet, the cabinet for human resources, the finance and administration cabinet, the energy and agriculture cabinet, the corrections cabinet, *the labor cabinet,* the secretary of the governor's executive cabinet and the lieutenant governor shall constitute the governor's executive cabinet. There shall be a vice-chairman appointed by the governor who shall serve in an advisory capacity to the executive cabinet. The governor shall be the chairman and the secretary of the finance and administration cabinet shall be a second vice-chairman of the executive cabinet. The governor may designate others to serve as vice-chairmen.

(2) The cabinet shall meet not less than once every two (2) months and at other times on call of the governor. The executive cabinet shall be a part of the office of the governor and shall not constitute a separate

department or agency of the state. Members of the cabinet shall be the major assistants to the governor in the administration of the state government and shall assist the governor in the proper operation of his office and perform such other duties as the governor may require of them.

(3) The cabinet shall consider such matters involving policies and procedures as the governor or any member may place before it. The cabinet shall advise and consult with the governor on all matters affecting the welfare of the state.

Section 2. KRS 12.250 is amended to read as follows:

There are established within state government the following program cabinets:

(1) Justice cabinet.
(2) Education and humanities cabinet.
(3) Natural resource and environmental protection cabinet.
(4) Transportation cabinet.
(5) Commerce cabinet.
(6) Public protection and regulation cabinet.
(7) Cabinet for human resources.
(8) Finance and administration cabinet.
(9) Energy and agriculture cabinet.
(10) Corrections cabinet.
(11) Labor cabinet.

SECTION 3. A NEW SECTION OF KRS CHAPTER 336 IS CREATED TO READ AS FOLLOWS:

(1) There is hereby created a cabinet of state government to be named the labor cabinet. The cabinet shall be headed by a secretary who shall be appointed by the governor pursuant to KRS 12.040. The secretary shall have the duties, responsibilities, power and authority relating to labor, wages and hours, occupational safety and health of employes, child labor, workers' compensation, apprenticeship, and all other matters heretofore under the jurisdiction of the commissioner and department of labor.

(2) The labor cabinet shall consist of the offices of the secretary, general counsel, administrative services and labor - management relations, and the departments of workplace standards and of workers' claims. The commissioners of the departments within the labor cabinet shall be under the direction and control of the secretary of the labor cabinet.

(3) The secretary may appoint such personnel, including an ombudsman, as are necessary to perform the duties of the cabinet.

Section 4. KRS 207.130 is amended to read as follows:

As used in KRS 207.140 to 207.240 unless the context otherwise requires:

(1) "Persons" means one or more individuals, partnerships, municipalities, the state, or other political subdivisions within the state, associations, labor organizations, or corporations.

(2) "Physical handicap" means the physical condition of a person whether congenital or acquired, which constitutes a substantial disability to that person and is demonstrable by medically accepted clinical or laboratory diagnostic techniques.

(3) "Employer" means a person or governmental unit or officer in this state having in his or its employ eight or more individuals; and any person acting in the interest of an employer, directly or indirectly.

(4) "Labor organization" means a labor organization and an agent of such an organization, and includes an organization of any kind, an agency or employe representation committee, group, association, or plan so engaged in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours, or other terms or conditions of employment, and a conference, general committee, joint system or board, or joint council so engaged which is subordinate to a national or international labor organization.

(5) "Property" means any building, structure, or portion thereof which is occupied as, or designed or intended for occupancy, as a residence, and any vacant land which is offered for sale or lease for the construction or location thereon of any such building, structure, or portion thereof.

(6) "To rent" includes to lease, to sublease, to furnish as compensation, to let and otherwise grant for a consideration the right to occupy premises not owned by the occupant.

(7) "Unfair employment practice" means an act that is prohibited under KRS 207.150, 207.160 or 207.170.

(8) "Unfair housing practice" means an act that is prohibited under KRS 207.180 or 207.190.

(9) "Commissioner" shall mean the commissioner of the department of workplace standards, under the direction and supervision of the secretary of labor.

(10) "Department" shall mean the department of workplace standards in the labor cabinet.

Section 5. KRS 207.200 is amended to read as follows:

(1) The Kentucky department of *workplace standards* [~~labor~~] is authorized to enforce the employment provisions of KRS 207.130 to 207.240 in conjunction with the state attorney general's office and the state and local courts.

(2) Any handicapped individual requesting the intervention of the Kentucky department of *workplace standards* [~~labor~~] under this section shall, within *one hundred and eighty (180)* [~~180~~] days of the alleged incident, submit with his request a signed, sworn statement specifying and describing the handicap or handicaps which affect him. This statement may be used by the commissioner of *workplace standards* [~~labor~~] or his representative to determine if the individual does, or does not, have a "physical handicap" as defined in KRS 207.130(2). If the commissioner of *workplace standards* [~~labor~~] or his representative determines that the aggrieved individual does have a handicap which falls under the definition in KRS 207.130(2), the department of *workplace standards* [~~labor~~] shall provide a copy of the aggrieved individual's signed statement to the employer for his inspection.

(3) In the event the employer wishes to challenge the validity of the statement, he shall so notify the commissioner of *workplace standards* [~~labor~~], who shall in turn notify the aggrieved individual. If the aggrieved individual wishes the department of *workplace standards* [~~labor~~] to continue its involvement with the case, he shall be required to submit to the commissioner of *workplace standards* [~~labor~~], within *thirty (30)* [~~30~~] days of such notice, a signed, sworn statement from a licensed physician of his choice, or from one of the state or federal agencies serving the handicapped:

(a) Specifying and describing the handicap or handicaps affecting the individual; and

(b) Indicating any specific type of employment for which such handicap should be considered a bona fide or necessary reason for limitation or exclusion.

(4)(a) The state agencies which may be consulted under subsection (3) of this section may include, but are not limited to, the following:

1. Department of education, bureau of rehabilitation services;
2. Department for human resources, bureau of health services;
3. Department for human resources, division of disability determination.

(b) The commissioner of *workplace standards* [~~labor~~], in conjunction with the agencies designated in this subsection, is authorized to adopt appropriate regulations governing the issuance and setting the standards of determinations of ability or disability;

(c) The agencies designated in this subsection, and any other state agency which serves the handicapped and which the commissioner of *workplace standards* [~~labor~~] deems proper, shall cooperate to the fullest with the department of *workplace standards* [~~labor~~] in issuing a statement of disability and limitations as specified in subsection (3) of this section within *twenty (20)* [~~20~~] days of the date the handicapped individual presents himself before such agency for examination.

(5)(a) For the purposes of KRS 207.130 to 207.240, the commissioner of *workplace standards* [~~labor~~], or his authorized representative, shall have the power to enter the place of employment of any employer, labor organization or employment agency to inspect and copy employment records, to compare character of work and operations on which persons employed by him are engaged, to question such persons, and to obtain such other information as is reasonably necessary to make a preliminary determination that the aggrieved individual is, or is not, fully capable of carrying out the duties of the job which he or she had been denied;

(b) In the event that a preliminary determination is made that the aggrieved individual is not fully capable of carrying out the duties of the job which he or she had been denied, the aggrieved individual and the employer shall both be so advised;

(c) The aggrieved individual, within ten (10) days of receiving such notification, may file with the department of *workplace standards* [~~labor~~] an application for reconsideration of the determination. Upon such application, the commissioner of *workplace standards* [~~labor~~] or his representative shall make a new determination within ten (10) days whether the aggrieved individual is, or is not, fully capable of carrying out the duties of the job which he or she had been denied. If the determination is again made that the aggrieved individual is not fully capable of carrying out these duties, the aggrieved individual and the employer shall both be so advised;

(d) In the event that a preliminary determination has been made that the aggrieved individual is fully capable of carrying out the duties of the job which he or she had been denied, the employer, labor organization or employment agency shall be so advised and encouraged to make an immediate offer to the aggrieved individual of the position which he or she had been denied. In the event the position has already been filled, the employer, labor organization or employment agency shall be encouraged to make an offer to the aggrieved individual of the next available position for which he or she is qualified.

Section 6. KRS 207.210 is amended to read as follows:

(1) In the event the employer, labor organization or employment agency continues to refuse employment to the aggrieved individual, the aggrieved individual may file a formal administrative complaint with the department of *workplace standards* [~~labor~~] and, upon such filing, the commissioner of *workplace standards* [~~labor~~] or his representative is authorized to examine witnesses under oath, and to require by subpoena the attendance and testimony of witnesses and the production of any documentary evidence relating to the subject matter of the investigation. In the event of the failure of any person to attend, testify, or produce documents under or in response to a subpoena, the circuit court in the judicial district where the

hearing is being held, on application of the commissioner or his representative, may issue an order requiring said person to appear before the commissioner or his authorized representative, or to produce documentary evidence, and any failure to obey such order of the court may be punished by the court as a contempt thereof.

(2) If the department of *workplace standards* [~~labor~~] determines that the employer, labor organization or employment agency has not engaged in an unfair employment practice, it shall state its findings of fact and conclusions of law and shall issue an order dismissing the complaint. A copy of the order shall be delivered to the complainant, the employer, labor organization or employment agency and such other public officers and persons as the department of *workplace standards* [~~labor~~] deems proper.

(3) If the department of *workplace standards* [~~labor~~] determines that the employer, labor organization or employment agency has engaged in an unfair employment practice, the department shall state its findings of fact and conclusions of law and shall issue an order requiring the employer, labor organization or employment agency to cease and desist from the unlawful practice and to take such affirmative action as in the judgment of the department will carry out the purposes KRS 207.130 to 207.240. A copy of the order shall be delivered to the employer, the labor organization or employment agency, the complainant, and to such other public officers and persons as the department of *workplace standards* [~~labor~~] deems proper.

(4) Affirmative action ordered under this section may include, but is not limited to:

(a) Hiring, reinstatement, or upgrading of employes with or without back pay. Interim earnings or amounts earnable with reasonable diligence by the aggrieved individual shall operate to reduce the back pay otherwise allowable;

(b) Admission or restoration of the aggrieved individual to union membership, admission to or participation in a guidance program, apprenticeship training program, on-the-job training program, or other occupational training or retraining program, and the utilization of objective criteria in the admission of individuals to such programs;

(c) The extension to all individuals of the full and equal enjoyment of the advantages, facilities, privileges and services of the employer;

(d) Reporting as to the manner of compliance;

(e) Posting notices in conspicuous places in the employer's place of business in form prescribed by the department of *workplace standards* [~~labor~~].

Section 7. KRS 207.230 is amended to read as follows:

Notwithstanding the provisions of KRS 207.200 and 207.210, citizen suits may be commenced under the following terms and conditions:

(1) Any person deeming himself injured by any act in violation of the provisions of this chapter shall have a civil cause of action in circuit court to enjoin further violations, and to recover the actual damages sustained by him, and upon judicial finding of any violation of KRS 207.150 to 207.190, shall recover the costs of the law suit, including a reasonable fee for his attorney of record, all of which shall be in addition to any other remedies contained in KRS 207.130 to 207.240.

(2) Notice. No action may be commenced:

(a) Prior to thirty (30) days after the plaintiff has given notice of the violation to the commissioner of *workplace standards* [~~labor~~].

(b) If the commissioner of *workplace standards* [~~labor~~] has commenced and is diligently prosecuting a civil action to require compliance with KRS 207.130 to 207.240; however, the aforementioned conditions do not prohibit citizen-initiated civil enforcement action contemporaneously with criminal enforcement efforts by the state.

(c) In any civil action under this section, the commissioner of *workplace standards* [~~labor~~], *under the direction of the secretary of the labor cabinet,* if not a party, may intervene only with consent of the person bringing the action. If the administrator is allowed to intervene, he may not alter the cause of action, delay the proceedings, or make any decisions, settlement agreements, or agree to any consent orders or enforcement proceeding without the informed consent of the person initiating the citizens enforcement action.

Section 8. KRS 336.010 is amended to read as follows:

As used in KRS 336.010 to 336.160, unless the context requires otherwise:

(1) "Commissioner" means commissioner of *the department of workplace standards under the direction and supervision of the secretary of the labor cabinet* [~~labor~~]; and

(2) "Department" means department of *workplace standards* [~~labor~~].

Section 9. KRS 336.020 is amended to read as follows:

The department shall be headed by a commissioner [~~of labor~~], and shall be divided for administrative purposes into *the divisions of employment standards and mediations; occupational safety and health compliance; and education and training for occupational safety and health* [~~such divisions as the commissioner, with the approval of the governor, determines~~].

Section 10. KRS 336.162 is amended to read as follows:

(1) There is hereby created the Commonwealth of Kentucky labor-management advisory council which shall consist of eighteen (18) members. One (1) member of the council shall be the *secretary* [~~commissioner~~] of labor, and one (1) member shall be the secretary of commerce, who shall be ex officio

non-voting members of the council. The other members of the council shall be appointed by the governor for terms of four (4) years and until their successors have been appointed and have qualified.

(2) Vacancies shall be filled by appointment by the governor for the unexpired term of the member whose office is vacant and the appointment shall be made within sixty (60) days of the occurrence of the vacancy.

(3) In making appointments to the council, the governor shall appoint eight (8) members representing management and eight (8) members representing labor. The *secretary* [~~commissioner~~] of labor shall serve as chairman of the council.

(4) Upon the expiration of the terms of members appointed in 1978 the next appointments shall be made as follows: Two (2) labor and two (2) management members shall be appointed for a term of one (1) year; two (2) labor and two (2) management members shall be appointed for a term of two (2) years; two (2) labor and two (2) management members shall be appointed for a term of three (3) years; and two (2) labor and two (2) management members shall be appointed for a term of four (4) years. Thereafter all appointments shall be for a term of four (4) years. Such appointments shall be made by the governor within thirty (30) days after the expiration of the term of any member.

(5) The council shall meet at least two (2) times each year and at other times on call of the chairman or a majority of the members. Nine (9) members of the council shall constitute a quorum for the transaction of business.

(6) The council shall be attached to the labor cabinet for administrative purposes.

Section 11. KRS 336.164 is amended to read as follows:

(1) The council shall function as an advisory agent of state government and provide leadership and assistance for labor and management in this state, and shall serve to effect improved labor-management relations within the state, and to thereby attract and encourage new and existing industry in this state.

(2) The council shall not infringe upon or assume the responsibilities, duties or functions of the [~~department of~~] labor *cabinet* or commerce cabinet. The council may make recommendations to the governor and the legislature on matters relating to labor-management problems in this state and any other matter it deems necessary.

(3) Meetings of the council may be held at any location in this state; however the principal office of the council will be located in Frankfort, Kentucky.

(4) The *secretary* [~~commissioner~~] of labor shall supply necessary staff and supplies to the council as well as funds for reimbursing each member for reasonable and necessary expenses incurred as a result of attending council meetings, and he shall act as the executive secretary of the council. *The executive director of the office of labor-management relations shall be responsible for the coordination of such staff and supplies.*

Section 12. KRS 337.010 is amended to read as follows:

(1) As used in this chapter, unless the context requires otherwise:

(a) "Commissioner" means commissioner of *workplace standards under the direction and supervision of the secretary of the labor cabinet* [~~labor~~];

(b) "Department" means department of *workplace standards in the labor cabinet* [~~labor~~];

(c) "Wages" include any compensation due to an employe by reason of his employment, such compensation to include salaries, commissions, vested vacation pay, overtime pay, severance or dismissal pay, earned bonuses and any other similar advantages agreed upon by the employer and the employe or provided to employes as an established policy; such wages to be payable in legal tender of the United States or checks on banks convertible into cash on demand at full face value, subject to such allowances made in this chapter;

(d) "Employer" is any person, either individual, corporation, partnership, agency or firm who employs an employe and includes any person, either individual, corporation, partnership, agency or firm acting directly or indirectly in the interest of an employer in relation to an employe; and

(e) "Employe" is any person employed by or suffered or permitted to work for an employer.

(2) As used in KRS 337.275 to 337.325, 337.345 and 337.385 to 337.405 unless the context requires otherwise:

(a) "Employe" is any person employed by or suffered or permitted to work for an employer, but shall not include:

1.[~~(i)~~] Any individual employed in agriculture;

2.[~~(ii)~~] Any individual employed in a bona fide executive, administrative, supervisory or professional capacity, or in the capacity of outside salesman, or as an outside collector as such terms are defined by administrative regulations of the commissioner;

3.[~~(iii)~~] Any individual employed by the United States;

4.[~~(iv)~~] Any individual employed in domestic service in or about a private home. The provisions of this section shall include individuals employed in domestic service in or about the home of an employer where there is more than one (1) domestic servant regularly employed;

5.[~~(v)~~] Any individual classified and given a certificate by the commissioner of *workplace standards* [~~labor~~] showing a status of learner, apprentice, handicapped worker, sheltered workshop employe, and student under administrative procedures and administrative regulations as prescribed and promulgated by the commissioner of *workplace standards* [~~labor~~]. This certificate shall authorize employment at such wages, less than the established fixed minimum fair wage rates, and for such period of time as shall be fixed by the commissioner and stated in the certificate issued to such person;

6.[~~(vi)~~] Employes of retail stores, service industries, hotels, motels, and restaurant operations whose average annual gross volume of sales made for business done is less than ninety-five thousand dollars ($95,000) for the five (5) preceding years exclusive of excise taxes at the retail level or if the employe is the parent, spouse, child, or other member of his employer's immediate family;

7.[~~(vii)~~] Any individual employed as a babysitter in employer's home, or live-in companion to a sick, convalescing or elderly person whose principal duties do not include housekeeping;

8.[~~(viii)~~] Any individual engaged in the delivery of newspapers to the consumer;

9.[~~(ix)~~] Any individual subject to the provisions of KRS Chapters 7, 16, 27A, 30A, and 18 provided that the commissioner of personnel shall have the authority to prescribe by administrative regulation those emergency employes, or others who shall receive overtime pay rates as necessary for the efficient operation of government and the protection of affected employes;

(b) "Agriculture" means farming in all its branches, including the cultivation and tillage of the soil, dairying, the production, cultivation, growing, and harvesting of any agricultural or horticultural commodity, the raising of livestock, bees, furbearing animals or poultry, and any practice, including any forestry or lumbering operations, performed on a farm in conjunction with such farming operations, including the preparation and delivery of produce to storage, or to market or to carriers for transportation to market;

(c) "Gratuity" means voluntary monetary contribution received by an employe from a guest, patron or customer for services rendered;

(d) "Tipped employe" means any employe engaged in an occupation in which he customarily and regularly receives more than twenty dollars ($20.00) per month in tips;

(e) "U.S.C." means the United States Code.

(3) As used in KRS 337.505 to 337.550 unless the context requires otherwise:

(a) "Construction" includes construction, reconstruction, improvement, enlargement, alteration or repair of any public works by contract fairly estimated to cost more than two hundred fifty thousand dollars ($250,000) in 1982 and adjusted annually on July 1 thereafter according to the change in the Consumer Price Index released by the U.S. Department of Labor, Bureau of Labor Statistics;

(b) "Contractor" and "subcontractor" include any superintendent, foreman, or other authorized agent of any contractor or subcontractor who is in charge of the construction of the public works or who is in charge of the employment or payment of the employes of such contractor or subcontractor who are employed in performing the work to be done or being done by the contractor or subcontractor under the particular contract with any public authority;

(c) 1. "Locality" means the county where the physical work upon public works is performed, except if there is not available in the locality a sufficient number of competent, skilled laborers, workmen, and mechanics to efficiently and properly construct the public works, "locality" shall include any other locality nearest the one in which the work of construction is to be performed and from which such available skilled laborers, workmen, and mechanics may be obtained in sufficient number to perform the work.

2. "Locality" with respect to contracts advertised or awarded by the department of transportation of this state shall be determined by the secretary of transportation. He may designate any number of counties as constituting a single locality. He may also designate all counties of the Commonwealth as a single locality, but, in no event, shall he designate less than an entire county as a locality;

(d) "Public authority" means any officer, board, or commission of this state, or any political subdivision or department thereof in the state, or any institution supported in whole or in part by public funds, including publicly owned or controlled corporations, authorized by law to enter into any contract for the construction of public works and any nonprofit corporation funded to act as an agency and instrumentality of the government agency in connection with the construction of public building facilities; and

(e) "Public works" includes all buildings, roads, streets, alleys, sewers, ditches, sewage disposal plants, waterworks and all other structures or work except for buildings constructed as institutions of learning constructed under contract with any public authority. However, the provisions of this section shall not apply to construction conducted by a city, county, urban-county government or school district unless such construction is financed with fifty percent (50%) or more of state funds.

(4) In any case where the federal government or any of its agencies furnishes by loans or grants any part of the funds used in constructing public works, and if the federal government or its agencies prescribe predetermined prevailing minimum wages to be paid to mechanics, workmen, and laborers employed in the construction of such public works and where KRS 337.505 to 337.550 is also applicable, those wages in each classification which are higher shall prevail.

Section 13. KRS 337.420 is amended to read as follows:n

(1) "Employe" means any individual employed by any employer, including but not limited to individuals employed by the state or any of its political subdivisions, instrumentalities, or instrumentalities of political subdivisions.

(2) "Employer" means a person who has two (2) or more employes within the state in each of twenty (20) or more calendar weeks in the current or preceding calendar year and an agent of such a person.

(3) "Wage rate" means all compensation for employment, including payment in kind and amounts paid by employers for employe benefits, as defined by the commissioner in regulations issued under KRS 337.420 to 337.433 and 337.992.

(4) "Employ" includes to suffer or permit to work.

(5) "Occupation" includes any industry, trade, business or branch thereof, or any employment or class of employment.

(6) "Commissioner" means the commissioner of *the department of workplace standards under the direction and supervision of the secretary of labor* [~~labor~~].

(7) "Person" includes one or more individuals, partnerships, corporations, legal representatives, trustees, trustees in bankruptcy, or voluntary associations.

Section 14. KRS 337.423 is amended to read as follows:

(1) No employer shall discriminate between employes in the same establishment on the basis of sex, by paying wages to any employe in any occupation in this state at a rate less than the rate at which he pays any employe of the opposite sex for comparable work on jobs which have comparable requirements relating to skill, effort and responsibility. Differentials which are paid pursuant to established seniority systems or merit increase systems, which do not discriminate on the basis of sex, are not within this prohibition provided, however, that nothing in KRS 337.420 to 337.433 and 337.992 shall apply to any employer who is subject to the federal fair labor standards act of 1938, as amended, when that act imposes comparable or greater requirements than contained in KRS 337.420 to 337.433 and 337.992 and when said employer files with the commissioner of the department of *workplace standards* [~~labor~~] a statement that said employer is covered by the federal fair labor standards act of 1938, as amended.

(2) An employer who is paying a wage differential in violation of KRS 337.420 to 337.433 and 337.992 shall not, in order to comply with it, reduce the wage rates of any employe.

(3) No person shall cause or attempt to cause an employer to discriminate against any employe in violation of KRS 337.420 to 337.433 and 337.992.

(4) No employer may discharge or discriminate against any employe by reason of any action taken by such employe to invoke or assist in any manner the enforcement of KRS 337.420 to 337.433 and 337.992.

Section 15. KRS 337.522 is amended to read as follows:

(1) The commissioner or his authorized representative shall conduct a public hearing for the purpose of making initial determinations, or current revisions thereof, of a prevailing wage schedule for the construction of public works pertaining to a locality. The commissioner shall within *ninety (90)* [~~90~~] days of the receipt of the transcript of a hearing publish his wage determination. Such a hearing shall be conducted in the locality after notice has been given as provided in subsection (3) of this section.

(2) A public authority or any interested person may request and shall be granted an additional hearing solely for the purpose of having considered a review of the commissioner's determination of the prevailing wage schedule for the construction of public works in the locality; after notice has been given as provided in subsection (3) of this section, such hearing shall be conducted in the locality by a prevailing wage review board consisting of one member representing employers in the construction industry, one member representing labor in the construction industry, and one member appointed by the public authority requesting the hearing. The member appointed by the public authority shall reside in the locality wherein the public works are to be constructed. The members of the board representing employers in the construction industry and labor in the construction industry shall be appointed for periods of not more than four years by the governor from a list of prospective members recommended by bona fide associations representing the construction industry and bona fide labor organizations representing workers employed in the construction industry, and such members shall serve on the board for all hearings during their tenure. Prevailing wage review boards shall have the authority to revise prevailing wage schedules for the construction of public works, however, such revisions shall be governed by the same criteria and regulations governing wage determinations of the commissioner. A revision of a prevailing wage schedule for the construction of public works shall require a vote of a majority of the members. The members of a prevailing wage review board shall receive their actual necessary expenses incurred in carrying out their duties and such expenses shall be paid out of the general fund of the Commonwealth of Kentucky.

(3) Notice of hearings as required in subsections (1) and (2) of this section shall be given by advertising one time in the newspaper having the largest circulation in the locality, and such advertisement shall be run not less than ten nor more than twenty days prior to the date of the hearing. The advertisement shall set forth all pertinent information of the hearing regarding the time, place, and purpose of the hearing.

(4) The prevailing wage review boards shall be attached to the labor cabinet for administrative purposes.

Section 16. KRS 337.525 is amended to read as follows:

(1) Any person or party claiming to be aggrieved by any final determination of prevailing wages by the prevailing wage review board may appeal to the Franklin Circuit Court. The appeal shall state fully the grounds upon which an appeal is sought and assign all errors relied upon. A copy of the appeal and summons shall be served upon the department of *workplace standards* [~~labor~~] and the members of the prevailing wage review board and within thirty (30) days after such service, or within such further time as the court may allow, the department on behalf of the prevailing wage review board shall submit to the court a certified copy of all matters considered by the prevailing wage review board from which it made its final wage determination.

(2) No new or additional evidence may be introduced in the Franklin Circuit Court except as to the fraud or misconduct of some person engaged in the administration of this chapter and affecting the order, ruling or award. The court shall otherwise hear the appeal upon the record as certified by the department of *workplace standards* [~~labor~~] and shall dispose of same in summary manner. The court shall not substitute its judgment for that of the prevailing wage review board, the court's review being limited to determining whether or not:

(a) The prevailing wage review board acted without or in excess of its powers;

(b) The prevailing wage review board's final wage determination was procured by fraud;

(c) The determination is not in conformity with the provisions of this chapter;

(d) The determination is clearly erroneous on the basis of the information contained in the record; or

(e) The final wage determination is arbitrary or capricious.

(3) The Franklin Circuit Court thereafter shall enter an order affirming or setting aside the prevailing wage review board's wage determination. The court may also remand the case to the prevailing wage review board for further proceedings.

(4) An appeal may be taken to the Court of Appeals from any decision of the Franklin Circuit Court under this section.

Section 17. KRS 338.015 is amended to read as follows:

As used in this chapter:

(1) "Employer" shall mean any entity for whom a person is employed except those employers excluded in KRS 338.021.

(2) "Employe" shall mean any person employed except those employes excluded in KRS 338.021.

(3) The term "occupational safety and health standard" means a standard which requires conditions, or the adoption or use of one or more practices, means, methods, operations, or processes, reasonably necessary or appropriate to provide safe or healthful employment and places of employment. "Standard" has the same meaning as and includes the words "regulation" and "rule."

(4) "Occupational safety and health hazard" means any practice or condition in a place of employment which may be deemed detrimental to the safety and health of employes.

(5) "Occupational injury or illness" means any abnormal condition or disorder of an employe caused by exposure to factors associated with his employment.

(6) "Board" means the Kentucky occupational safety and health standards board established under this chapter.

(7) "Commissioner" means the commissioner of the Kentucky department of *workplace standards under the direction and supervision of the secretary of the labor cabinet* [~~labor~~].

(8) "Review commission" means the Kentucky occupational safety and health review commission established under this chapter.

(9) The term "national consensus standard" means any occupational safety and health standard or modification thereof which has been adopted and promulgated by a nationally recognized standards-producing organization.

(10) The term "established federal standard" means any operative occupational safety and health standard established by any agency of the United States government.

Section 18. KRS 338.041 is amended to read as follows:

(1) There is hereby created in the department of *workplace standards* [~~labor~~] a program for occupational safety and health. This program shall consist of a division of occupational safety and health compliance and a division of education and training for occupational safety and health. This program shall administer all matters pertaining to occupational safety and occupational health and shall be under the supervision of an occupational safety and health coordinator. *The secretary of the labor cabinet shall appoint the occupational safety and health coordinator.*

(2) The department of *workplace standards* [~~labor~~] may require the assistance of other state agencies and may enter into agreements with other state agencies and political subdivisions of the Commonwealth for the administration of this chapter.

(3) The department of *workplace standards* [~~labor~~] may enter into an agreement with the department for human resources and other appropriate departments or agencies to conduct research, experiments, and demonstrations relating to occupational safety and health, including studies of psychological factors involved, and relating to innovative methods, techniques, and approaches for dealing

with occupational safety and health problems in the administration of this chapter.

Section 19. KRS 338.051 is amended to read as follows:

(1) There is hereby established [~~in the department of labor~~] the Kentucky occupational safety and health standards board consisting of the commissioner and twelve (12) members equally representing industry, labor, agriculture and the safety and health profession. The members shall be appointed by the governor for terms of three (3) years and until their successors are appointed and qualified, from lists of nominees submitted by bona fide associations representative of industry, labor, agriculture and the safety and health profession. Members shall receive twenty-five dollars ($25) per day for attending each meeting and shall be reimbursed for actual expenses incurred in carrying out their duties. The commissioner shall act as chairman of the board. No member of the board may have a concurrent term on the review commission.

(2) The board shall hold semiannual meetings and additional meetings as needed. A majority of the board constitutes a quorum for the transaction of business.

(3) The board shall adopt and promulgate occupational safety and health rules, regulations, standards, and secure all expertise, testimony, and evidence necessary to accomplish the purposes of this chapter.

(4) The board shall be attached to the labor cabinet for administrative purposes.

Section 20. KRS 338.153 is amended to read as follows:

(1) Any affected employer may apply to the commissioner of *workplace standards* [~~labor~~] for a rule or order for a variance from a standard promulgated under this chapter. Affected employes shall be given notice of each such application and an opportunity to participate in a hearing. The commissioner shall issue such rule or order if he determines on the record, after opportunity for an inspection where appropriate and a hearing, that the proponent of the variance has demonstrated by a preponderance of the evidence that the conditions, practices, means, methods, operations, or processes used or proposed to be used by an employer will provide employment and places of employment to his employes which are as safe and healthful as those which would prevail if he complied with the standard. The rule or order so issued shall prescribe the conditions the employer must maintain, and the practices, means, methods, operations, and processes which he must adopt and utilize to the extent they differ from the standard in question. Such a rule or order may be modified or revoked upon application by an employer, employees, or by the commissioner of his own motion, in the manner prescribed for its issuance under this subsection at any time after six months from its issuance.

(2) (a) Any employer may apply to the commissioner for a temporary order granting a variance from a standard or any provision thereof promulgated under this section. Such temporary order shall be granted only if the employer files an application which meets the requirements of paragraph (b) of this subsection and establishes that*:*

1.[~~(i)~~] He is unable to comply with the standard by its effective date because of unavailability of professional or technical personnel or of materials and equipment needed to come into compliance with the standard or because necessary construction or alteration of facilities cannot be completed by the effective date*;*[~~,~~]

2.[~~(ii)~~] He is taking all available steps to safeguard his employes against the hazards covered by the standard*;*[~~,~~] and

3.[~~(iii)~~] He has an effective program for coming into compliance with the standard as quickly as practicable.

Any temporary order issued under this subsection shall prescribe the practices, means, methods, operations, and processes which the employer must adopt and use while the order is in effect and state in detail his program for coming into compliance with the standard. Such a temporary order may be granted only after notice to employees and an opportunity for a hearing; provided, that the commissioner may issue one interim order to be effective until a decision is made on the basis of the hearing. No temporary order may be in effect for longer than the period needed by the employer to achieve compliance with the standard or one (1) year, whichever is shorter, except that such an order may be renewed not more than twice*:*

1.[~~(i)~~] So long as the requirements of this subsection are met*;* and

2.[~~(ii)~~] If an application for renewal is filed at least *ninety (90)* [~~90~~] days prior to the expiration date of the order. No interim renewal of an order may remain in effect for longer than *one hundred eighty (180)* [~~180~~] days.

(b) An application for a temporary order under this subsection shall contain:

1.[~~(i)~~] a specification of the standard or portion thereof from which the employer seeks a variance,

2.[~~(ii)~~] a representation by the employer, supported by representations from qualified persons having firsthand knowledge of the facts represented, that he is unable to comply with the standard or portion thereof and a detailed statement of the reasons therefor,

3.[~~(iii)~~] a statement of the steps he has taken and will take (with specific dates) to protect employes against the hazard covered by the standard,

4.[~~(iv)~~] a statement of when he expects to be able to comply with the standard and what steps he has taken and what steps he will take (with dates specified) to come into compliance with the standard, and

5.[~~(v)~~] a certification that he has informed his employes of the application by giving a copy thereof to their authorized representative, posting a statement giving a summary of the application and specifying where a copy may be examined at the place or places where notices to employes are normally posted, and by other appropriate means. A description of how employes have been informed shall be contained in the certification. The information to employes shall also inform them of their right to petition the commissioner of *workplace standards* [~~labor~~] for a hearing.

(c) The commissioner of *workplace standards* [~~labor~~] is authorized to grant a variance from any standard or portion thereof whenever he determines that such variance is necessary to permit an employer to participate in an experiment approved by him designed to demonstrate or validate new and improved techniques to safeguard the health or safety of workers.

Section 21. KRS 338.161 is amended to read as follows:

(1) The department of *workplace standards* [~~labor~~] shall develop and maintain a program of collection, compilation, and analysis of occupational safety and health statistics. Each employer shall make, keep and preserve, and make available to the commissioner and the Secretary of the United States Department of Labor or the Secretary of the United States Department of Health, Education, and Welfare, such records regarding his activities relating to this chapter as may be prescribed by regulation.

(2) The department of *workplace standards* [~~labor~~] shall also issue regulations requiring that employers, through posting of notices or other appropriate means, keep their employes informed of their protection and obligations under this chapter.

Section 22. KRS 338.181 is amended to read as follows:

The Kentucky department of *workplace standards* [~~labor~~] is empowered to administer the provisions of this chapter to employers, employes, and places of employment under the jurisdiction of the United States government pursuant to any agreement between the Commonwealth and the United States government. Pursuant to such agreement, the department of *workplace standards* [~~labor~~] is empowered to make employer reports and data available to the United States government.

Section 23. KRS 338.191 is amended to read as follows:

It shall be the duty of the attorney general, upon request of the commissioner, to bring all necessary civil or criminal actions for violations of the provisions of this chapter and to obtain injunctions against any person violating or threatening to violate any provisions of this chapter. The attorney general may appoint special counsel to prosecute these claims. In the event special counsel is secured, all costs will be borne by the [~~department of~~] labor *cabinet*.

SECTION 24. A NEW SECTION OF KRS CHAPTER 339 IS CREATED TO READ AS FOLLOWS:

As used in this chapter, "commissioner" shall mean the commissioner of the department of workplace standards, under the direction and supervision of the secretary of the labor cabinet.

Section 25. KRS 339.220 is amended to read as follows:

No minor under fourteen (14) years of age shall be employed, permitted or suffered to work in, about or in connection with any gainful occupation at any time, except for employment in connection with an employment program supervised and sponsored by the school or school district such child attends, which program has been approved by the department of education and subject to the regulations of the commissioner of *the department of workplace standards* [~~labor~~].

Section 26. KRS 339.225 is amended to read as follows:

(1) The provisions of KRS 339.220 to the contrary notwithstanding, minors age eleven (11) years and over may be employed as caddies at golf courses subject to the following provisions:

(a) A "caddy" is an individual who offers his services to golfers at golf clubs both private and public. His duties during course of play include the carrying of golf clubs, direction to the golfer, assistance to the player in the general maintenance and upkeep of golf courses, including replacement of divots, repair of ball marks, raking of sand traps, location of golf balls and control of the pin. Duties normally referred to as "fore-caddying" or "shagging" of golf balls are not within the scope of this definition.

(b) No minor under eleven (11) years of age shall be employed, or suffered to work as a caddy for hire.

(c) Caddies under fourteen (14) years of age are restricted to caddying one (1) round of eighteen (18) holes in any one (1) day.

(d) Minors eleven (11) and twelve (12) years of age may not carry golf bags and are restricted to caddying with a "pull cart" only.

(e) Minors thirteen (13), fourteen (14), and fifteen (15) years of age may be employed to carry golf bags provided the bags do not exceed thirty-five (35) pounds in weight.

(f) No minor under sixteen (16) years of age shall be employed, permitted, or suffered to operate power-driven golf carts in the course of their employment, or any power-driven maintenance equipment.

(g) All persons employing minors as caddies are subject to all provisions of this chapter and the regulations issued hereunder.

(2) The department of *workplace standards* [~~labor~~] shall issue such regulations as are necessary to carry out the provisions of this section.

Section 27. KRS 339.230 is amended to read as follows:

A minor who has passed his fourteenth birthday but is under eighteen (18) years of age may be employed, permitted or suffered to work in, about or in connection with any gainful occupation, except:

(1) If he is under sixteen (16) years of age, he may not be employed during regular school hours, unless:

(a) He has been granted a special employment certificate in accordance with the provisions of KRS 339.290; or,

(b) The school authorities have made arrangements for him to attend school at other than the regular hours, in which event he may be employed subject to regulations of the commissioner of *workplace standards* [~~labor~~] during such of the regular school hours as he is not required to be in attendance under the arrangement; or,

(c) He has graduated from high school.

(2) A minor who has passed his fourteenth birthday but is under eighteen (18) years of age, may not be employed, permitted or suffered to work:

(a) In any place of employment or at any occupation, that the commissioner of *workplace standards* [~~labor~~] shall determine to be hazardous or injurious to the life, health, safety or welfare of such minor*;* [~~.~~]

(b) More than the number of days per week, nor more than the number of hours per day that the commissioner of *workplace standards* [~~labor~~] shall determine to be injurious to the life, health, safety or welfare of such minor. The commissioner of *workplace standards* [~~labor~~] in promulgating these regulations may make them more restrictive than those promulgated by the U.S. secretary of labor under provisions of the fair labor standards act and its amendments, but in no event may he make them less restrictive*;* [~~.~~]

(c) During the hours of the day that the commissioner of *workplace standards* [~~labor~~] shall determine to be injurious to the life, health, safety or welfare of such minor. The commissioner of *workplace standards* [~~labor~~] in promulgating these regulations may make them more restrictive than those promulgated by the U.S. secretary of labor under provisions of the fair labor standards act and its amendments but in no event may he make them less restrictive*; and* [~~.~~]

(d) In, about or in connection with any establishment where alcoholic liquors are distilled, rectified, compounded, brewed, manufactured, bottled, sold for consumption or dispensed (except he may be employed in places where the sale of alcoholic beverages by the package is merely incidental to the main business actually conducted); or in a pool or billiard room.

(3) The commissioner of *workplace standards* [~~labor~~] shall promulgate regulations to properly protect the life, health, safety or welfare of minors. He may consider sex, age, premises of employment, substances to be worked with, machinery to be operated, number of hours, hours of the day, nature of the employment and other pertinent factors. The commissioner of *workplace standards* [~~labor~~] in promulgating these regulations may make them more restrictive than those promulgated by the U.S. secretary of labor under provisions of the fair labor standards act and its amendments but in no event may he make them less restrictive, provided, however, these regulations shall have no effect on the definition of "gainful occupation" under KRS 339.210. To advise the commissioner with respect to the regulations, the governor shall appoint a committee of four (4) persons which shall consist of a representative from the cabinet for human resources, the department of education, the Kentucky commission on human rights and the department of personnel. The regulations promulgated in accordance with this section shall be reviewed by such committee at least once each fiscal year.

Section 28. KRS 339.310 is amended to read as follows:

The department of education shall prescribe such rules and regulations for the issuance of employment certificates and age certificates as will promote uniformity and efficiency in the administration of KRS 339.210 to 339.450. It shall also supply to local issuing officers all blank forms to be used in connection with the issuance of such certificates. Duplicates of each employment or age certificate shall be mailed by the issuing officer to the department of *workplace standards* [~~labor~~] within one (1) week after issuance.

Section 29. KRS 339.330 is amended to read as follows:

The department of *workplace standards* [~~labor~~], the superintendent of public instruction, or the officer issuing any employment certificate or age certificate, may revoke any such certificate if in its or his judgment it was improperly issued or if the minor is illegally employed, and may cancel any employment certificate or age certificate at any time it is found that the conditions for its legal issuance do not exist. The employer shall be notified of such revocation or cancellation in writing, and such minor shall not thereafter be employed or permitted to work until a new certificate has been legally obtained. If the revocation or cancellation is made other than by the department of *workplace standards* [~~labor~~], the department shall be notified thereof in writing, and if the revocation or cancellation is made other than by the issuing officer, such officer shall be notified thereof in writing.

Section 30. KRS 339.340 is amended to read as follows:

The person designated to issue employment certificates shall issue such certificates only upon the application in person of the minor desiring employment, and after having approved and filed the following papers:

(1) A promise of employment signed by the prospective employer or by one (1) duly authorized by him, setting forth the specific nature of the occupation in which he intends to employ such minor, and the number of hours per day and days per week which said minor shall be employed*;* [~~.~~]

(2) Evidence of age showing that the minor is of the age required by KRS 339.210 to 339.450*;* [~~.~~]

(3) A statement of physical fitness, if the issuing officer has reasonable doubt as to the minor's physical fitness, signed by a public health or public school physician, or in case there are no such physicians available, by a private physician who has examined the minor, certifying the medical examination of the minor shows that he is physically fit to be employed at the work he intends to do, or to be employed at such work under limitations specified in the statement. If the statement of physical fitness is limited, the employment certificate issued thereon shall state clearly the limitations upon its use, and shall be valid only when used under the limitations so stated. In any case, where the physician shall deem it advisable, he may issue a certificate of physical fitness for a specified period of time, at the expiration of which the person for whom it was issued shall appear and be re-examined before being permitted to continue to work. Such examination shall be made in accordance with standards and procedures prescribed by the superintendent of public instruction in consultation with the secretary for human resources and commissioner of *workplace standards* [~~labor~~], and shall be recorded on a form furnished by the department of education. Where examinations are given by public health or public school physicians, they shall be made without charge to the minor*; and* [~~.~~]

(4) A school record signed by the principal of the school which the minor last attended or by someone duly authorized by him, giving the full name, date of birth, grade last completed, scholastic standing and residence of the minor.

Section 31. KRS 339.350 is amended to read as follows:

No fee shall be charged for issuing the certificate. The certificate shall be issued in triplicate. One (1) copy shall be mailed to the prospective employer of the minor for whom it is issued, one (1) shall be sent to the department of *workplace standards* [~~labor~~], and one (1) copy shall be kept on file in the issuing office. It shall be signed by the issuing officer and by the minor for whom it is issued in the presence of such officer. It shall contain the name and address of the child, the name and address of the employer, the industry and occupation in which the minor is to be employed, the type of evidence of age accepted, and such other information as the department of education shall require.

Section 32. KRS 339.450 is amended to read as follows:

(1) It shall be the duty of the department of *workplace standards* [~~labor~~] and of the inspectors and agents of said department, with the assistance of the school directors of pupil personnel, police officers and juvenile session of district court probation officers, to enforce the provisions of KRS 339.210 to 339.450, to make complaints against persons violating the provisions of those sections, and to prosecute violations thereof. The department of *workplace standards* [~~labor~~], its inspectors and agents shall have authority to enter and inspect at any time any place or establishment covered by KRS 339.210 to 339.450, and to have access to employment certificates kept on file by the employer and such other records as may aid in the enforcement of KRS 339.210 to 339.450. School directors of pupil personnel are likewise empowered to visit and inspect places where minors may be employed, and shall report any cases of employment that they find in violation of KRS 339.210 to 339.450 to the department of *workplace standards* [~~labor~~].

(2) Any person authorized to enforce KRS 339.210 to 339.450 may require an employer of a minor for whom an employment certificate is not on file either to furnish him within ten (10) days the evidence required for an employment certificate showing that the minor is at least eighteen (18) years of age or to cease to employ or permit or suffer such minor to work. Proof of the making of such demand and of failure to deliver such proof of age shall be prima facie evidence, in any prosecution brought for violation of KRS 339.210 to 339.450, that such minor is under eighteen (18) years of age and is unlawfully employed.

Section 33. KRS 339.990 is amended to read as follows:

Whoever employs or permits or suffers any minor to be employed or to work in violation of KRS 339.210 to 339.450, or of any order or ruling issued under the provisions thereof, or obstructs the department of *workplace standards* [~~labor~~], its officers, or agents, or any other person authorized to inspect places of employment under KRS 339.210 to 339.450, or whoever, having under his control or custody any minor, permits or suffers him to be employed or to work in violation of KRS 339.210 to 339.450, or who sells to a minor any article with the knowledge that the minor intends to sell said article in violation of KRS 339.210 to 339.450 shall be fined not less than twenty-five (25) nor more than one hundred dollars ($100). Every employer who continues to employ a minor in violation of KRS 339.210 to 339.450 after he has been notified by the department of *workplace standards* [~~labor~~], its officers or agents, shall be fined twenty-five dollars ($25.00) for each day the violation continues and the employment of any minor in violation of KRS 339.210 to 339.450 shall with respect to each minor so employed constitute a separate and distinct offense.

Section 34. KRS 342.120 is amended to read as follows:

(1) There is created the division of the special fund in the department of *workers' claims* [~~labor~~] which shall be responsible for the administration of the legal representation of the fund and the maintenance of records regarding the payment of claims by the fund. *The division of special fund shall be headed by a*

director appointed by the commissioner, with the prior written approval of the governor pursuant to KRS 12.050. The director shall be responsible for overseeing the administration of the legal representation of the fund and the maintenance of records regarding the payment of claims by the fund.

(2) A claimant may in the original application for benefits, or either party may by motion while the case is pending, accompanied by proper allegations and by certification of the fact that a copy of the motion and the entire case file has been forwarded to the special fund at the cost of the movant, request the board to and the board shall, or upon its own motion the board may, at any time before the rendition of the final award, cause the special fund to be made a party to the proceedings if either or both of the following appears:

(a) The employe is disabled, whether from a compensable injury, occupational disease, pre-existing disease, or otherwise, and has received a subsequent compensable injury by accident, or has developed an occupational disease;

(b) The employe is found to have a dormant non-disabling disease or condition which was aroused or brought into disabling reality by reason of a subsequent compensable injury by accident or an occupational disease.

(3) When the special fund has been made a party the board may direct the procedures provided in KRS 342.121.

(4) If it is found that the employe is a person mentioned in paragraphs (a) or (b) of subsection (2) of this section and a subsequent compensable injury or occupational disease has resulted in additional permanent disability so that the degree of disability caused by the combined disabilities is greater than that which would have resulted from the subsequent injury or occupational disease alone, and the employe is entitled to receive compensation on the basis of the combined disabilities, the employer shall be liable for the payment of all income benefits until the benefits paid have reached a percentage of the full income benefits awarded by the board which is equal to the percentage of disability which would have resulted from the latter injury or occupational disease had there been no pre-existing disability or dormant, but aroused disease or condition.

(5) The remaining compensation for which such resulting condition would entitle the employe, including any compensation for disability resulting from a dormant disease or condition aroused into disabling reality by the injury or occupational disease, shall be paid out of the special fund provided for in KRS 342.122. Such remaining compensation shall be paid directly to the employe under such regulations as the secretary of finance *and administration* may provide for such purpose.

(6) In making the computation for the apportionment of benefits under this section, the board shall determine the amount of the employe's weekly income benefits and apportion the award between the employer and special fund as follows:

(a) For benefits awarded under KRS 342.730(1)(b), the portions shall be based on the number of weeks stated therein;

(b) For all other benefits awarded under this chapter, the portions shall be based on the number of weeks shown in actuarial tables adopted by regulations promulgated by the board.

Section 35. KRS 342.122 is amended to read as follows:

(1) "Adjusted cost" as used in this section and in KRS 342.475 means all liability incurred for compensation, hospital and medical benefits to be paid pursuant to this chapter, except that any employer defined in KRS 342.630(2) may compute "adjusted cost" on the basis of benefits paid rather than liability incurred. "Adjusted cost" for all employers shall include an additional factor of twelve percent (12%) of such total liabilities or benefits paid. Each self-insured group and each employer carrying his own risk shall annually furnish payroll data and other information required to calculate "adjusted cost" to the department of revenue.

(2) In addition to the taxes and assessments imposed by KRS 342.450 and 342.475, a special fund tax at the rate of three-fourths (3/4) of one percent (1%) of the amount of premiums received shall be paid by every insurance carrier as defined in KRS 342.445, subject to the credits therein set out, and the department of revenue shall assess against the "adjusted cost" of every employer carrying his own risk a special fund tax computed by taking three-fourths (3/4) of one percent (1%) of the "adjusted cost" determined as provided in KRS 342.475. The provisions of KRS 342.450, 342.455, 342.460, 342.465 and 342.470 shall, so far as applicable, also apply to the levy and collection of such additional tax of three-fourths (3/4) of one percent (1%) of such premiums of insurance carriers.

(3) All taxes and assessments imposed by subsection (2) of this section shall be paid into the state treasury and shall be credited to the special fund and the Kentucky reinsurance association and shall be used only for awards of compensation made by the board and chargeable against the special fund, expenses of legal representation thereof, fees, expenses of the physicians in connection therewith, and expenses in connection with reinsurance obtained for the special fund and shall be withdrawn for that purpose under the supervision of the secretary of finance *and administration.*

(4) Any sum remaining in the special fund at the end of any fiscal year shall be set up by the finance and administration cabinet to the credit of such fund for the next ensuing fiscal year.

(5) (a) For liabilities for injuries and occupational diseases incurred on or after July 1, 1983:

1. If on an annual review of the special fund the secretary of finance *and administration* finds that the special fund tax to be levied pursuant to this section may be insufficient to pay prospective amounts which may be awarded under the special fund provisions, he shall advise the Kentucky reinsurance association in writing of such fact and shall further request and give specifications for the association to make a proposal for reinsuring the liabilities of the special fund and for distributing the cost of such reinsurance to the subscribers of the association. The proposal will contain a total cost for such reinsurance, including the administrative costs of making benefit payments and collecting premiums from subscribers. The total cost of reinsurance shall be distributed among the subscribers based on the "adjusted cost" of every subscriber unless the proposal sets forth another basis of cost distribution that the secretary of finance *and administration* finds to be more equitable than "adjusted cost."

2. The secretary of finance *and administration* shall then advertise for bids from qualified bidders for reinsurance of the liabilities of the special fund as set out in the proposal of the Kentucky reinsurance association.

3. If no other qualified bidder offers an arrangement more advantageous than that proposed by the Kentucky reinsurance association, the secretary shall enter an agreement for reinsurance of the special fund liabilities with the association as specified in the original written request. If another qualified bidder makes a bid more advantageous according to criteria established in the specifications, the secretary shall enter an agreement with such bidder for reinsurance of the special fund liabilities.

(b) For liabilities for injuries and occupational diseases incurred before July 1, 1983:

1. The secretary of finance *and administration* and the *secretary* [~~commissioner~~] of labor may determine whether such liabilities could be reinsured or otherwise transferred to the Kentucky reinsurance association in a manner calculated to minimize the costs of such liabilities and the processing of payments in connection therewith.

2. If the secretary of finance *and administration* and the *secretary* [~~commissioner~~] of labor find that the special fund tax to be levied pursuant to this section is insufficient to pay such claims, they shall advise the commissioner of revenue in writing of such fact. The commissioner of revenue may then levy additional assessments against all insurance companies writing workers' compensation insurance in Kentucky, all self-insurance groups operating under this chapter, and every employer carrying his own risk. The amount of each assessment shall be in the proportion that each assessment payer's "adjusted cost" bears to the total "adjusted cost" of all assessment payers.

(6) Except for a two percent (2%) collection fee allowance, all moneys charged the insured for assessments and taxes under this chapter and KRS Chapter 136 shall be paid into the state treasury and credited to the appropriate fund for which said assessment or tax is charged. In no case shall the moneys turned over be less than ninety-eight percent (98%) of the moneys charged.

(7) The fund heretofore designated as the subsequent claim fund is abolished and there is substituted therefor the special fund as herein set out and all moneys and properties owned by the subsequent claim fund are transferred to the special fund.

Section 36. KRS 342.215 is amended to read as follows:

The workmen's compensation board shall consist of five (5) members appointed by the governor and shall be attached to the [~~department of~~] labor *cabinet* for administrative services.

(1) Of the members first appointed under this chapter one shall serve until January 1, 1974; one until January 1, 1975; one until January 1, 1976; and two until January 1, 1977. Thereafter, each term shall run for four years from the date of expiration of the term for which his predecessor was appointed, except that a person appointed to fill a vacancy prior to the expiration of such a term shall be appointed for the remainder of the term. Each member of the board shall hold office until his successor is appointed and qualifies. The members of the board shall have the qualifications required of circuit judges. The governor shall designate a member of the board to serve as chairman. Any vacancy in the chairmanship shall be filled by the governor. The governor may at any time remove any member for cause after furnishing him with a written copy of the charges against him and giving him a public hearing if he requests it. Each member of the board shall be paid a salary in accord with the provisions of KRS 64.640.

(2) A decision concurred in by any three (3) members shall constitute a decision of the board, unless there are two (2) unfilled vacancies in which case a majority of the remaining members shall constitute a decision of the board.

(3) The terms of all members of the workmen's compensation board who are in office prior to the effective date of this chapter shall automatically expire on January 1, 1973, any other statute to the contrary notwithstanding.

Section 37. KRS 342.230 is amended to read as follows:

(1) Upon the recommendation of the director, the board, within the limits of appropriations therefor, shall establish and fill any positions, including medical services and advice, necessary to carry on the board's work.

(2) The governor shall appoint a director of the board *who shall also serve as the director of the division of workers' compensation within the labor cabinet. The director* [~~who~~] shall have immediate

supervision of the employes of the board, perform such duties as are assigned him, and have complete authority to carry out all the administrative functions of the division of workmen's compensation . The director shall be an attorney who has been admitted to practice law in Kentucky and shall have practiced law for at least three (3) years. He shall keep and be the custodian of the records of the board, shall annually report the activities of the board to the governor, and shall devote his full time to the duties of his office. He shall receive a salary to be fixed by the governor.

(3) The governor shall appoint not more than the number of hearing officers authorized by regulation of the board, each of whom shall be an attorney admitted to practice law in Kentucky and shall have practiced law for at least three (3) years. These officers, upon the direction of the director or the board, shall conduct hearings, and otherwise supervise the presentation of evidence and perform any other duties assigned to them by the director or the board except that such hearing officers shall not render final decisions, orders, or awards. However such hearing officers may, in receiving evidence on behalf of the board, make such rulings affecting the competency, relevancy, and materiality of the evidence about to be presented and upon motions presented during the taking of evidence as will expedite the preparation of the case.

(4) The board may at any time recommend the removal of the director or any hearing officer upon filing with the governor a full written statement of its reasons for such removal.

Section 38. KRS 342.495 is amended to read as follows:

(1) For the purpose of carrying out this chapter and affording to employers a method of insuring their liability, the Kentucky employe's insurance association is created, a body corporate, with all the general corporate powers incident thereto. Any employer in this state may become a subscriber.

(2) For administrative purposes, the association is attached to the labor cabinet.

Section 39. KRS 342.620 is amended to read as follows:

As used in this chapter unless the context otherwise requires:

(1) "Injury" means any work related harmful change in the human organism, arising out of and in the course of employment including damage to or loss of a prosthetic appliance, but does not include any communicable disease unless the risk of contracting such disease is increased by the nature of the employment. "Injury" when used generally, unless the context indicates otherwise, shall include an occupational disease.

(2) "Occupational disease" means a disease arising out of and in the course of the employment.

(3) An occupational disease as defined in this section shall be deemed to arise out of the employment if there is apparent to the rational mind, upon consideration of all the circumstances, a causal connection between the conditions under which the work is performed and the occupational disease, and which can be seen to have followed as a natural incident to the work as a result of the exposure occasioned by the nature of the employment and which can be fairly traced to the employment as the proximate cause. The occupational disease shall be incidental to the character of the business and not independent of the relationship of employer and employe. An occupational disease need not have been foreseen or expected but, after its contraction, it must appear to be related to a risk connected with the employment and to have flowed from that source as a rational consequence.

(4) "Injurious exposure" as used in KRS 342.316 shall mean that exposure to occupational hazard which would, independently of any other cause whatsoever, produce or cause the disease for which claim is made.

(5) "Death" means death resulting from an injury or occupational disease.

(6) "Carrier" means any insurer, or legal representative thereof, authorized to insure the liability of employers under this chapter and includes a self-insurer.

(7) "Self-insurer" is an employer who has been authorized under the provisions of this chapter to carry his own liability on his employes covered by this chapter.

(8) "Department" means the department of *workers' claims in the* labor *cabinet.*

(9) *"Commissioner" means the commissioner of the department of workers' claims under the direction and supervision of the secretary of labor;*

(10) "Director" means the director of the workers' compensation board.

(11)[~~(10)~~] "Board" means the workers' compensation board.

(12)[~~(11)~~] "Disability" means a decrease of wage earning capacity due to injury or loss of ability to compete to obtain the kind of work the employe is customarily able to do, in the area where he lives, taking into consideration his age, occupation, education, effect upon employe's general health of continuing in the kind of work he is customarily able to do, and impairment or disfigurement.

(13)[~~(12)~~] "Income benefits" means payments made under the provisions of this chapter to the disabled worker or his dependents in case of death, excluding medical and related benefits.

(14)[~~(13)~~] "Medical and related benefits" means payments made for medical, hospital, burial and other services as provided in this chapter other than income benefits.

(15)[~~(14)~~] "Compensation" means all payments made under the provisions of this chapter representing the sum of income benefits and medical and related benefits.

(16)[~~(15)~~] "Medical services" means medical, surgical, dental, hospital, nursing and medical

rehabilitation services, medicines, and fittings for artificial or prosthetic devices.

(17)[~~(16)~~] "Person" means any individual, partnership, firm, association, trust, joint venture, corporation, or legal representative thereof.

(18)[~~(17)~~] "Wages" means, in addition to money payments for services rendered, the reasonable value of board, rent, housing, lodging, fuel or similar advantages received from the employer, and gratuities received in the course of employment from others than the employer as evidenced by the employe's federal and state tax returns.

(19)[~~(18)~~] "Agriculture" means the operation of farm premises, including the planting, cultivation, producing, growing, harvesting and preparation for market of agricultural or horticultural commodities thereon, the raising of livestock for food products and for racing purposes, and poultry thereon, and any work performed as an incident to or in conjunction with such farm operations. It shall not include the commercial processing, packing, drying, storing, or canning of such commodities for market, or making cheese or butter or other dairy products for market.

(20)[~~(19)~~] "Beneficiary" means any person who is entitled to income benefits or medical and related benefits under this chapter.

(21)[~~(20)~~] "United States" when used in a geographic sense, means the several states, the District of Columbia, the commonwealth of Puerto Rico, the Canal Zone, and the territories of the United States.

(22)[~~(21)~~] "Alien" means a person who is not a citizen, a national or a resident of the United States or Canada. Any person not a citizen or national of the United States who relinquishes or is about to relinquish his residence in the United States shall be regarded as an alien.

Section 40. KRS 343.010 is amended to read as follows:

As used in this chapter unless the context requires otherwise:

(1) "Apprentice" means a person at least sixteen (16) years of age who has entered into an apprenticeship agreement with an employer or an association of employers or an organization of employes;

(2) "Apprenticeship agreement" means a voluntary written agreement entered into by the apprentice or through his parent or guardian with an employer, or an apprenticeship and training committee acting as agent for an employer, which agreement contains the terms and conditions of the employment and training of the apprentice to enable the apprentice to learn the trade, craft or business of the employer;

(3) "Commissioner" means commissioner of *the department of workplace standards, under the direction and supervision of the secretary of the labor cabinet,* [~~labor~~] or any person authorized to act in his behalf, having jurisdiction over laws or regulations governing wages and hours of employes working in this state;

(4) "Council" means apprenticeship and training council;

(5) "Supervisor" means supervisor of apprenticeship and training;

(6) "Trainee" means a person at least sixteen (16) years of age who has entered into an on-the-job training agreement with an employer or an association of employers or an organization of employes in a construction occupation under a program which has been approved by a federal agency as promoting equal employment opportunity in conjunction with federal-aid construction projects.

(7) "Apprenticeship program" means a plan containing all terms and conditions for the qualification, recruitment, selection, employment, and training of apprentices, including such matters as the requirement for a written apprenticeship agreement;

(8) "On-the-job training program" means a plan containing all terms and conditions for the qualification, recruitment, selection, employment, and training of a trainee, including such matters as the requirement for a written on-the-job training agreement other than an apprenticeship program; provided, however, that said program has been approved by a federal agency as promoting equal employment opportunity in conjunction with federal-aid construction projects;

(9) "Sponsor" means any person, association, committee, or organization in whose name or title the program is or is to be registered, irrespective of whether such entity is an employer;

(10) "Employer" means any person or organization employing an apprentice or trainee whether or not such person or organization is a party to an apprenticeship or on-the-job training agreement with the apprentice or trainee;

(11) "Related instruction" means an organized and systematic form of instruction designed to provide the apprentice or trainee with knowledge of the theoretical and technical subjects related to his trade.

Section 41. KRS 343.020 is amended to read as follows:

(1) The governor shall appoint an apprenticeship and training council composed of three (3) representatives from employer organizations, and three (3) from employe organizations, who shall serve for a term of three (3) years and until their successors are appointed and qualified. The commissioner of *workplace standards* [~~labor~~] and the state official designated by the state board for occupational education as being in charge of trade and industrial education shall be ex officio members of the council. The chairman shall be elected by vote of the apprenticeship and training council. The regular members of the council shall each have one (1) vote. In the event of a tie vote among the regular members, the commissioner of *workplace standards* [~~labor~~] shall have the right to cast the tie-breaking vote. Each member of the council shall receive his actual

and necessary expenses incurred in attending its meetings. The council shall meet at the call of the commissioner and shall aid him in formulating policies for the effective administration of this chapter. The commissioner with the aid of the council shall have the authority to make and revise such rules and regulations as he may deem appropriate to carry out the provisions and purposes of this chapter.

(2) The council shall be attached to the labor cabinet for administrative purposes.

Section 42. KRS 345.010 is amended to read as follows:

When used in this chapter:

(1) "Public employer" means a city containing a population of at least 300,000 as determined by the last federal census or any city that petitions the commissioner of *the department of workplace standards, under the direction of the secretary of the labor cabinet* [~~labor~~] to be included by this chapter.

(2) "Fire fighter" means an employe of the public employer engaged in serving the public by providing fire protection, including those covered by KRS Chapter 95;

(3) "Labor organization" means any chartered labor organization of any kind in which fire fighters participate and which exists for the primary purpose of dealing with employers concerning grievances, labor disputes, wages, rate of pay, hours of employment or conditions of employment;

(4) "Exclusive representative" means the labor organization which has been designated by the state labor relations board as the representative of the majority of fire fighters in appropriate units or has been so recognized by the public employer;

(5) "Board" means the state labor relations board;

(6) "Person" includes one or more individuals, labor organizations, associations, corporations, legal representatives, trustees, trustees in bankruptcy, or receivers;

(7) "Commissioner" means the commissioner of *the department of workplace standards, under the direction and supervision of the secretary of the labor cabinet* [~~labor~~] of the Commonwealth of Kentucky.

Section 43. KRS 345.120 is amended to read as follows:

(1) There is hereby created and established a state labor relations board to assist in resolving disputes between public employers and fire fighters or their labor organization which shall be composed of three (3) members appointed by the governor, one (1) for a term of two (2) years, one (1) for a term of three (3) years, and one (1) for a term of four (4) years. The governor shall designate one (1) member to serve as chairman of the board. Thereafter, upon the expiration of the term of any member, members shall be appointed for four-year terms by the governor.

(2) Each member of the board shall have been an elector in this state for at least one (1) year next preceding his appointment. Any member may be removed by the governor for cause, shown in a public hearing after the accused has been given a copy of the charges made and has had an opportunity to answer such charges. The governor shall fill any vacancy by appointment for the unexpired term. No member shall receive a salary but each member shall be paid fifty dollars ($50) and expenses for each day during which he is engaged in the duties of the board. The board is authorized to hold hearings at any place in this state. Any and all expenses incurred by the labor relations board shall be shared by all parties concerned in the dispute.

(3) The board shall appoint such employes as may be necessary to carry out the work of the board. All files, records and documents accumulated by the board shall be kept in offices provided by the board. All decisions shall be made by a majority of the board.

(4) To accomplish the objectives and to carry out the duties prescribed by this chapter, the board may subpoena witnesses, issue subpoenas to require the production of books, papers, records and documents which may be needed as evidence in any matter under inquiry, and may administer oaths and affirmations.

(5) In case of neglect or refusal to obey a subpoena issued to any person, the circuit court of the county in which the investigations or the public hearings are taking place, upon application by the board may issue an order requiring such person to appear before the board, any member or agent, to produce evidence or give testimony about the matter under investigation. A failure to obey such order may be punished by the court as a contempt.

(6) Any subpoena, notice of hearing or other process or notice of the board issued under the provisions of this chapter may be served personally, by certified mail, return receipt requested or by leaving a copy at the principal office or place of residence of the respondent required to be served. A return, made and verified by the individual making such service and setting forth the manner of such service is proof of service and a returned post-office receipt, when certified mail is used, is proof of service. All process of any court to which application may be made under the provisions of this chapter may be served in the county wherein the persons required to be served reside or may be found.

(7) The board shall adopt, promulgate, amend or rescind such rules and regulations as it deems necessary and administratively feasible to carry out the provisions of this chapter. Public hearings shall be held by the board on any proposed rule or regulation of general applicability designed to implement, interpret or prescribe policy, procedure or practice requirements under the provisions of this chapter and on any proposed change in an existing rule or regulation. Reasonable notice shall be given prior to such hearings, which shall include the time, place and nature of such hearing and also the terms or substance of the proposed rule or regulation or the changes of such rule or regulation.

(8) The board shall be attached to the [~~department of~~] labor *cabinet* for administrative purposes.

Section 44. The General Assembly confirms Executive Order 83-65 to the extent that it is not otherwise confirmed by this Act.

The Committee Amendment No. 1 to **SB 352** is as follows:

Amend printed copy of **SB 352** on page 71, by adding after line 3 the following:

Section 45. KRS 38.070 is amended to read as follows:

Every officer shall take and subscribe to an oath of office as prescribed by the department of defense. The oath shall be taken and subscribed before *any* [~~an~~] officer *from any branch of the armed services* authorized to administer oaths. In case of neglect or refusal to take and subscribe to the oath the commission shall be canceled by the governor and a new appointment shall be made to fill the vacancy.

Section 46. KRS 38.090 is amended to read as follows:

(1) All able-bodied citizens of the United States, of good character, who can read and write the English language, who are between the ages of seventeen (17) and thirty-five (35) years with no prior service; between thirty-six (36) and under thirty-eight (38) with one (1) year of service; thirty-eight (38) and under forty-one (41) with two (2) years of service and forty-one (41) and under fifty-seven (57) with two (2) years plus the number of years applicant is over age forty (40), and who have passed the required physical examination and who are not ineligible for enlistment or re-enlistment in the armed forces of the United States, subject to current United States armed forces regulations covering enlistments and re-enlistments, may be enlisted or re-enlisted in the Kentucky national guard for a term of one or more years.

(2) No person dishonorably discharged or discharged without honor from the armed forces of the United States shall be eligible for enlistment in the Kentucky national guard.

(3) Every person who enlists, *extends his enlistment* or re-enlists shall sign and make oath to an enlistment paper before *any officer from any branch of the armed services authorized to administer oaths* [~~an officer authorized to accept enlistments~~].

(4) Enlisted persons may be transferred to or from organizations, as provided by regulations.

(5) By order of the governor in case of emergency, enlistments in the Kentucky national guard may be extended for one (1) year.

The Committee Amendment No. 2 to **SB 352** is as follows:

Amend printed copy of **SB 352** on page 71, by adding after line 3 the following:

Section 45. KRS 37.170 is amended to read as follows:

(1) The governor is hereby authorized to enlist, organize, maintain, equip, discipline and pay when called into active field service a volunteer *state* defense force other than the national guard, *which shall constitute the active militia and shall be known as the Kentucky state defense force* [~~to be known as the Kentucky active militia~~], which shall consist of able-bodied citizens who are residents of the state of Kentucky between the ages of eighteen (18) and sixty-four (64) who are not active members of a reserve component of the armed forces of the United States.

(2) Whenever the president of the United States shall call any part of the national guard of this state into active federal service, the governor is hereby authorized to organize the Kentucky *state defense force* [~~active militia~~] under such regulations as *may be promugated by the governor or adjutant general* [~~the secretary of defense may prescribe for discipline and training~~].

(3) The governor shall have the power to alter, divide, annex, disband or reorganize any organization of the Kentucky *state defense force* [~~active militia~~] whenever in his judgment the efficiency of the state forces will thereby be increased, and he shall have power to change the organization so as to conform to the regulations now or hereafter prescribed by the laws of the United States for the organization of the national guard or militia.

SB 404, AN ACT relating to state personnel.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

(1) The commissioner may refuse to examine an applicant; or, after examination, may disqualify an applicant, remove his name from a register, refuse to certify any eligible on a register, or may consult with the appointing authority in taking steps to remove such person already appointed if:

(a) It is found that he does not meet any one (1) of the preliminary requirements established for the examination for the class of position;

(b) He is so disabled as to render him unfit for the performance of the duties of the class;

(c) He has made a false statement of material fact in his application;

(d) He has used or attempted to use political pressure or bribery to secure an advantage in the examination;

(e) He has directly or indirectly obtained information regarding the examination to which, as an applicant, he was not entitled;

(f) He has failed to submit his application correctly or within the prescribed time limits;

(g) He has taken part in the compilation, administration, or correction of the examination for which he is an applicant;

(h) He has previously been dismissed from a position in the state service for cause or has resigned while charges for dismissal for cause were pending;

(i) He has been convicted of a felony or a job related misdemeanor; or

(j) He has otherwise wilfully violated the provisions of this Act.

(2) An eligible may be removed from a register:

(a) If the eligible cannot be located by postal authorities;

(b) If the eligible responds in writing that he no longer desires consideration for position in that class;

(c) If the eligible declines an offer of probationary appointment to the class for which the register was established;

(d) If it is shown that the eligible is not qualified or is unsuitable for appointment to the class for which the register is established;

(e) If the eligible fails to reply within a period of five (5) calendar days to the written request of the appointing authority for an interview, or does not report for such an interview within a reasonable time, or fails to appear for an interview which he has scheduled with the appointing authority without good cause;

(f) If the eligible accepts an appointment and fails to present himself for duty at the time and place agreed to without giving reasons for the delay satisfactory to the appointing authority; or

(g) If the eligible states in writing that he is not available for appointment or does not wish to be considered for appointment.

(3) When an eligible notifies the department in writing that he is unavailable for employment or employment consideration, the department may remove the name of that eligible from the appropriate register without further notification to the person.

(4) When the department is notified in writing by an appointing authority that an eligible has accepted a bona fide offer of probationary appointment to any position, effective on a specified date, his name may be removed from the register for all classes for which the maximum salary is the same or less than that of the class to which he has been appointed.

SECTION 2. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

(1) The department of personnel and the personnel board shall not promulgate administrative regulations:

(a) When they are not authorized by statute to promulgate administrative regulations;

(b) When a statute prohibits them from regulation of that particular matter;

(c) When they are not authorized by statute to regulate that particular matter;

(d) When a statute prescribes the same or similar procedure for the matter regulated;

(e) When a statute sets forth a comprehensive scheme of regulation of the particular matter;

(f) On any matter which is not clearly within their jurisdiction;

(g) On any matter which is beyond their statutory authorization to promulgate administrative regulations or which is not clearly authorized by statute; and

(h) Which modify or vitiate a statute or its intent.

(2) Any administrative regulation in violation of this section or the spirit thereof is null, void, and

unenforceable.

(3) The department and board shall not issue standards or, by any other name, issue a document of any type where an administrative regulation is required or authorized by law.

(4) The department and board shall not by internal policy, memorandum, or other form of action:

(a) Modify a statute or administrative regulation;

(b) Expand upon or limit a statute or administrative regulation; or

(c) Expand or limit a right guaranteed by the Constitution of the United States, the Constitution of Kentucky, a statute, or an administrative regulation.

(5) Any department memorandum, internal policy, or other form of action violative of this section or the spirit thereof is null, void, and unenforceable.

(6) This section shall not be construed to prohibit the department or the board from issuing an opinion or administrative decision which is authorized by statute.

SECTION 3. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

(1) An employe shall serve a six (6) months probationary period when he is initially appointed to the classified service. An employe may be separated from his position during this probationary period and shall not have a right to appeal except as provided by subsection (3) of Section 17 of this Act. If the employe is separated, he shall be notified in writing at least ten (10) working days prior to separation. A copy of the notification shall be forwarded to the commissioner. The employe shall be placed on an eligible list but shall not be certified to the agency from which he was separated unless that agency so requests.

(2) An employe who satisfactorily completes the probationary period for a position to which he was initially appointed shall be granted status and may not be demoted, disciplined, dismissed, or otherwise penalized except as provided by the provisions of this Act. An employe ordered reinstated by the board shall not be required to serve a probationary period unless the board rules otherwise as provided in Section 17 of this Act.

(3) An employe with status who has been promoted shall be evaluated at least fifteen (15) working days before he completes six months service in the position to which he has been promoted. The employe's work performance shall be evaluated as provided in Section 4 of this Act. If his work performance is rated "below standard" the employe shall be reverted to a position in his former class. Notice of the action taken shall be in writing and shall state the reasons for the determination, and shall inform the employe that he may appeal the determination to the board within ten (10) working days.

(4) An employe with status may request that he be reverted to a position in his former class at anytime during the probationary period.

(5) A laid-off employe who is reinstated or reemployed, shall be evaluated after having served for six (6) months, under the provisions of subsections (2) and (3) of Section 4 of this Act.

SECTION 4. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

(1) In addition to his seniority, an employe's performance evaluation shall be considered in determining salary advancements, reemployment, promotion, demotion, and dismissal. Performance evaluations of state employes shall be conducted as provided by this Act. A work plan for each employe shall be developed by the employe and his immediate supervisor annually. An employe's work performance shall be evaluated by his immediate supervisor semi-annually. A final evaluation shall be given at the last evaluation. An employe evaluation shall be based upon written objective criteria embodied in the work plan. Each employe shall be informed of these criteria when he becomes a state employe and at each evaluation. All evaluations shall be supported by documentation contained in an employe's personnel file. The supervisor shall present and explain all documentation affecting an employe's evaluation and shall discuss every aspect of his performance with the employe at each evaluation. The supervisor shall elicit the employe's opinions and suggestions, and shall advise the employe of the measures needed to improve his performance. An employe may submit written comments to be included in the evaluation report. An evaluation shall become final when presented to the employe for his review, comment, and signature.

(2) An employe's work performance shall be rated:

(a) "Outstanding," if he exceeds performance standards with such consistency or to such a substantial degree that performance is outstanding;

(b) "Above standard," if he consistently meets all performance standards and frequently exceeds them so that performance is above what is required and expected of the normal employe;

(c) "Satisfactory," if he consistently meets performance standards required for the position; or

(d) "Below standard," if his performance is consistently below the standard expected of a satisfactory employe.

(3) If an employe's work performance is rated "below standard," he shall be placed on probation for a period of six (6) months. At the end of this period his work performance shall be reevaluated. If he fails to achieve a "satisfactory" rating, he shall be:

(a) Demoted to a position commensurate with his skills and abilities; or

(b) Terminated.

(4) Effective July 1, 1986, an employe whose annual performance evaluation is "outstanding" shall receive an increment equal to four percent (4%) of his gross annual wages or salary, and an employee whose annual evaluation is "above standard" shall receive an increment equal to two percent (2%) of his gross annual wages or salary. The employe's gross annual wages or salary shall be increased by the amount of the increment.

(5) If an employe believes that he has been unfairly evaluated, he may file a written request to his second-line supervisor within three (3) working days of the receipt of his rating. The second-line supervisor shall meet with the employe's immediate supervisor and the employe to review the employe's objections to his rating. Within three (3) working days of the receipt of the employe's request, the second-line supervisor shall make a determination whether the challenged rating shall be revised. Within three (3) working days of the receipt of the decision of the second-line supervisor the employe may appeal the rating to a review committee. The review committee shall consist of three (3) members: One (1) chosen by the employe, one (1) chosen by the immediate supervisor, and one (1) chosen by the appointing authority who meets with the approval of the employe and the employe's immediate supervisor. Within ten (10) working days of the receipt of the request the review committee shall review the rating and make a written decision on whether the rating will be accepted or revised. Within ten (10) working days after the receipt of the review committee's decision, the employe may file an appeal with the personnel board under the provisions of KRS 18A.095.

SECTION 5. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

(1) All layoffs of employes with status shall comply with the provisions of this section.

(2) Provisional, temporary, emergency, federally funded time-limited, or probationary employes shall be laid off before permanent full-time or permanent part-time employes. Probationary employes does not include employes with status who have been promoted.

(3) If two (2) or more employes subject to layoff have the same qualifications, the employe with the lesser seniority shall be laid off first.

(4) An employe who is laid off shall be placed on a reemployment register for the class of position from which he was laid off and for any class for which he is qualified. He shall have the right to test for any class of position for which he is qualified to take an examination. If he passes the examination, he shall be placed on the register for the class. For a period of three (3) years laid-off employes shall be hired before any applicant or eligible except another laid-off employe with greater seniority who is already on such register.

(5) For a period of three (3) years, a laid-off employe shall not be removed from any register unless:

(a) He notifies the department in writing that he no longer desires consideration for a position on such register;

(b) He declines two (2) offers of appointment;

(c) Without good cause, he fails to report for an interview after he has been notified in writing at least seven (7) calendar days prior to the date of the interview;

(d) He is unqualified for appointment;

(e) He is so disabled as to render him unfit for the performance of the duties of the class;

(f) He has made a false statement of a material fact in his application;

(g) He has used or attempted to use political influence or bribery to secure an advantage in connection with his placement on the register;

(h) He has been convicted of a felony, or a job related misdemeanor;

(i) He cannot be located by postal authorities; or

(j) He has otherwise wilfully violated the provisions of this Act.

(6) When the department is notified by an appointing authority that a laid-off employe has accepted a bona fide offer of appointment to any position, effective on a specified date, his name may be removed from the register for all classes for which the maximum salary is the same as or less than that of the class to which he has been appointed.

(7) When a laid-off employe is removed from a register he shall be notified in writing and shall be notified of his right to appeal to the board under the provisions of KRS 18A.095.

(8) It shall be unlawful to coerce employes who may be or are subject to layoff to resign or retire in lieu of layoff. Dismissals shall comply with statutes relating thereto, and layoffs shall not be utilized as a method of dismissing employes.

SECTION 6. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

(1) When a shortage of funds, or the abolition of a position, or a material change in duties or organization necessitate a layoff, and when such layoff is not due to a projected or actual reduction in tax receipts comtemplated by KRS 48.130, the appointing authority shall:

(a) Notify an employe in writing that he is subject to layoff within fifteen (15) days; and

(b) Offer an employe subject to layoff any vacant position of the same pay grade and level of duties and responsibilities for which the employe is qualified. If such a position is not available, the employe shall be

notified of all vacant positions and shall be permitted to transfer to any vacant position for which he is qualified. The employe shall have the right to take an examination for any vacant position for which he is qualified. If he passes the examination he shall be hired before any applicant or eligible on a register, except a laid-off employe with greater seniority already on such registers.

(2) If no position is available to an employe subject to layoff under the procedure established by subsection (1) of this section, the appointing authority shall notify the department of personnel. The department shall coordinate efforts to place the employe in a position in an agency of state government according to the procedures set forth in Section 7 of this Act. The employe shall have the right to transfer to any vacant position in any agency for which he is qualified.

SECTION 7. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

(1) A layoff required by a projected or actual reduction in tax receipts contemplated under the provisions of KRS 48.130 shall comply with the provisions of this section.

(2) A layoff of state employes shall occur only after all other cost saving measures are taken by each appointing authority and have failed to alleviate the projected or actual deficit. These measures shall include but not be limited to:

(a) A hiring freeze;

(b) A reduction or delay of expenditures that would not prevent the provision of services required by law;

(c) Consolidation of offices and job duties that would not prevent the provision of services required by law;

(d) Transfer of funds appropriated for or allotted to vacant positions as provided by the budget reduction plan provided for by KRS 48.130, unless it is certified that the positions are essential and cannot be filled in the period during which layoffs are to occur by employes of the appointing authority;

(e) The filling of vacancies and promotions from within the appointing authority;

(f) Transfers within the appointing authority as provided by subsection (1) of Section 6 of this Act; and

(g) A suspension of performance increments.

(3) After cost saving measures have been taken, each appointing authority shall notify employes subject to layoff at least thirty (30) days prior to the implementation of the layoff. Each appointing authority shall also submit a list of employes subject to layoff and a list of vacant positions to include qualifications, grade, duties and responsibilities to the commissioner and to its employes.

(4) The commissioner shall coordinate efforts to transfer employes subject to layoff. Employes shall be assisted in transferring to any available position in the classified service for which they are qualified, and shall have the right to transfer to any vacant position in any agency for which they are qualified.

(5) When the hiring freeze is ended, laid-off employes shall be hired before any applicant or eligible except laid-off employes already on such registers.

SECTION 8. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

The department shall inform the legislative research commission for transmittal to the appropriate interim joint committees and to the general assembly of any proposed change in the classification and compensation plans that would affect twenty-five percent (25%) of such plans.

Section 9. KRS 18A.005 is amended to read as follows:

As used in this chapter, unless the context indicates otherwise:

(1) "Appointing officer" means the officer or employe or group of officers or employes authorized by law to make appointments;

(2) "Board" means the personnel board created by KRS 18A.045;

(3) "Career employe" shall mean a state employe with twenty (20) or more years of permanent full-time state service, or the part-time employment equivalent of at least twenty (20) years of full-time state service. The service may have been in the classified service, the unclassified service, or a combination thereof.

(4) "Certification" means the referral of the name of one (1) or more qualified prospective employes by the commissioner on request of an appointing officer for consideration in filling a position in the classified service;

(5) "Class" means a group of positions sufficiently similar as to duties performed, scope of discretion and responsibility, minimum requirements of training, experience, or skill, and such other characteristics that the same title, the same tests of fitness, and the same schedule of compensation have been or may be applied to each position in the group;

(6) "Classified service" includes all the employment subject to the terms of this chapter except for those positions expressly cited in KRS 18A.115; a "classified position" is a position in the classified service;

(7) "Commissioner" means the commissioner of the department of personnel as provided for in KRS 18A.015;

(8) "Demotion" means a change in the rank of an employe from a position in one (1) class to a

position in another class having a lower minimum salary range *or* [~~and~~] less discretion or responsibility;

(9) “Department” means the department of personnel provided for in KRS 18A.015 unless the context indicates otherwise;

(10) “Eligible” refers to a person who has made a passing score on any examination required under KRS 18A.005 to 18A.200 and who has qualified to be placed on a register;

(11) “Emergency employe” means an employe appointed without regard to the examination requirements of *the provisions of this Act* [~~KRS 18A.005 to 18A.200~~] to any position by reason of a governmental emergency, whose appointment is not to exceed thirty (30) working days in duration and is nonrenewable;

(12) “Employe” means a person regularly appointed to a position in the state service for which he is compensated on a full-time or part-time basis;

(13) *“Gross annual salary or wages,” for the purpose of calculating the annual increment, means the total amount of compensation received by an employe, including salaries, wages, and increments for the twelve-month period preceding his anniversary date.*

(14) “Penalized” shall include, but not be limited to, demotion, dismissal, suspension, fines and other disciplinary actions, involuntary transfers; any action, the effect of which is alleged to diminish the discretion or responsibility of an employe without proper cause including a reclassification or reallocation; and the abridgement or denial of other rights granted to state employes.

(15) “Position” means an office or employment in an agency (whether part-time, full-time, permanent, temporary, seasonal, federally funded time-limited, or emergency, occupied or vacant) involving duties requiring the services of one (1) person;

(16)[~~(14)~~] “Probation” means the *six (6) month* period of service following appointment to any position under KRS 18A.005 to 18A.200 which requires special observation and evaluation of an employe's work and which must be passed successfully before status may be conferred as provided in KRS 18A.110 *and by the provisions of this Act.* An employe serving the probationary period is known as a “probationary employe”;

(17)[~~(15)~~] “Promotion” means a change of rank of an employe from a position in one (1) class to a position in another class having a higher minimum salary and carrying a greater scope of discretion or responsibility;

(18)[~~(16)~~] “Provisional employe” means any employe appointed on a temporary or interim basis to a permanent position under *the provisions of this Act* [~~KRS 18A.005 to 18A.200~~] without examination, such appointment being made necessary by the absence of a register for the position involved and by the time limitations and prohibition on renewal as defined in KRS 18A.110;

(19) “Reallocation” shall mean the change in the allocation of an existing position to its proper class. Positions with similar duties, scope of discretion and responsibility, minimum requirements of training, experience or skill, meriting approximately equal pay shall be allocated to the same class.

(20) “Reclassification” shall mean the change in the classification of an existing position when a material and permanent change in the duties or responsibilities of that position occurs.

(21) “Reemployment” shall mean the rehiring of an employe with status who has been laid off.

(22)[~~(17)~~] “Reemployment *register* [~~list~~]” means the separate list of names of persons reduced in force by reason of *lay off* [~~lack of appropriations, curtailment of program or abolishment of position or of organizational unit, and through no fault of their own, who have requested the opportunity for further consideration of state employment~~]. Reemployment *registers shall be* [~~lists are~~] used as provided *by the provisions of this Act* [~~in KRS 18A.110 and subject to KRS 18A.130 and 18A.135~~];

(23)[~~(18)~~] “Register” means any official list of eligibles for a particular class, *and, except as provided in this Act,* placed in rank order according to the examination records, maintained for use in making original appointments or promotions to positions in the classified service;

(24) “Reinstatement” shall mean the restoration of an employe who has resigned in good standing or who has been ordered reinstated by the board or a court to a position in his former class or to a position of like status and pay;

(25) “Seniority” means the total number of months of state service;

(26)[~~(19)~~] “Status” means the acquisition of tenure with all rights and privileges appertaining thereunto after satisfactory completion of the probationary period by an employe in the classified service;

(27)[~~(20)~~] A “temporary position” is one created for a defined period of time not to exceed six (6) months and not renewable; a “temporary employe” is one (1) appointed to such a temporary position. A “seasonal position,” although temporary in duration in the foregoing sense, coincides in duration with a particular season or seasons of the year, but may not exceed eleven (11) months duration, and may recur regularly from year to year; a “seasonal employe” is one appointed to such a seasonal position from an existing eligible list or without reference to an eligible list;

(28)[~~(21)~~] A “federally funded time-limited position” is one created for the specific purpose of providing public service employment or one-time special or research project services for a limited period of time and shall not exceed the period of time for which that specific federal funding is provided. A “federally

funded time-limited" employe is one appointed to such position and, except as provided in KRS 18A.115, may in all other respects be entitled to the benefits provided permanent, full-time regular employes as defined in KRS *Chapter 18A* [~~18A.005 to 18A.200~~];

(29)[~~(22)~~] "Transfer" means a movement of any employe from one (1) position to another of the same grade having the same salary ranges and the same level of responsibility within the classified service;

(30)[~~(23)~~] A "war veteran" is a person who served on active duty in the United States armed forces during any war, or in a campaign or expedition for which a campaign badge or service medal has been authorized, or between April 28, 1952, and July 1, 1955 or between August 6, 1964 and May 7, 1975.

Section 10. KRS 18A.020 is amended to read as follows:

(1) The records of the department shall be public records and shall be open to public inspection, as provided in KRS 61.870 to 61.884.

(2) Upon written request a state employe, an applicant for employment, and an eligible on a register shall have the right to inspect and to copy any record and preliminary and other supporting documentation that relates to him. No public agency, as defined by KRS 61.870, shall deny, abridge or impede the exercise of this right in any manner.

Section 11. KRS 18A.025 is amended to read as follows:

(1) The governor shall appoint the commissioner of personnel as provided in KRS 18A.015, who shall be considered an employe of the state. He shall be a graduate of an accredited college or university and have at least five (5) years experience in personnel administration or in related fields, have known sympathies with the merit principle in government and shall be dedicated to the preservation of this principle. Additional education may be substituted for the required experience and additional experience may be substituted for the required education.

(2) The department of personnel shall be a department in the finance and administration cabinet, and the commissioner shall have such duties and responsibilities as assigned by the secretary of the finance and administration cabinet, and shall be responsible to and report to the secretary.

(3) There is established within the department of personnel the following divisions, each of which shall be headed by a director appointed by the secretary of the finance and administration cabinet, pursuant to KRS 12.050;

(a) The division of classification and compensation, which shall be responsible for, but not limited to, the maintenance of plans of classification and compensation for the state service; for the review and evaluation of these plans; and for the coordination of programs providing services to employes;

(b) The division of agency relations, which shall be responsible for, but not limited to, the maintenance of central personnel files on employes in the state service, preparation of registers of candidates for state employment, processing of personnel documents, the services and staff for the personnel board, and counseling state agencies regarding personnel programs;

(c) The division of applicant counseling and examinations, which shall be responsible for, but not limited to, the operation of a centralized applicant counseling and examination program for state employment and outreach programs such as the administrative intern program;

(d) The division of employe benefits and payroll, which shall be responsible for, but not limited to, design and administration of employe benefits, coordination of the workers' compensation program, management information, coordination of equal employment opportunity and affirmative action, and certification of payrolls of various state agencies; and

(e) The division of career training, which shall be responsible for, but not limited to, the coordination and implementation of all education and training programs, with a special emphasis on managerial and office technical skills within the executive branch.

(4) The department shall include such principal assistants appointed by the commissioner, pursuant to KRS 12.050, as may be necessary for the development and implementation of policy. The commissioner may employ, pursuant to the provisions of KRS Chapter *18A*[~~18~~], such personnel as necessary to execute the functions and duties of the department.

(5) A personnel file shall be maintained by an appointing authority for each employe. This file shall include, but not be limited to, for each employe, his name, address, title of positions held, classification, rates of compensation, all changes in status including evaluations, promotions, demotions, layoffs, transfers, disciplinary actions, commendations, awards, and preliminary and other supporting documentation for each action. Each file shall contain the original record and supporting documentation for each personnel action. Upon transfer, the personnel file maintained by the appointing authority from which the employe transfers shall be forwarded to the new appointing authority.

(6) Upon written request, an employe shall have the right to examine his personnel file. An employe may comment in writing on any item in his file. Such comments shall be made a part of his file and shall be attached to the specific record or document to which they pertain.

Section 12. KRS 18A.030 is amended to read as follows:

The commissioner shall be the executive and administrative head of the department and shall supervise and control all examinations and work of the department. He shall act as an adviser to the board on matters pertaining to the classified service of this state. Within the limitations of the budget, the commissioner shall appoint and supervise such staff as may be needed in the department to carry out the purposes of *the classified service* [~~KRS 18A.005 to 18A.200~~] except employes of the board as provided in KRS 18A.090. *Subject to the provisions of this Act and KRS Chapter 13* it shall be the duty of the commissioner, with the aid of his staff to:

(1) Attend all meetings of the board;

(2) Prepare and recommend to the board *administrative* [~~rules and~~] regulations for the purpose of carrying out the provisions of *this Act* [~~KRS 18A.005 to 18A.200~~]. Such *administrative regulations* [~~rules~~] shall provide, among other things, the manner of completing appointments and promotions, including multiple and simultaneous certifications; rejection of ineligible candidates; competitive examinations; creation of eligible lists with successful candidates ranked according to their rating in the examination; leaves of absence with and without pay; transfers, reinstatements, layoffs; public notice of examinations; procedures for changes in rates of pay; and other conditions of employment *and shall be consistent with federal standards for the administration of a personnel system*;

(3) Establish general procedures for personnel recruitment, for certification, for improving the efficiency of employed personnel, and for the separation of employes deemed unsatisfactory or excessive by agency or department heads subject to the provisions of KRS 18A.005 to 18A.200;

(4) Appoint such examiners and technicians as are necessary for the conduct of the personnel program, whether on a permanent or temporary basis;

(5) Prepare and maintain a record of all employes, showing for each employe his name, address, title of position held, rate of compensation, changes in status, compensation, or title, transfer, and to make such data and the class specifications for all positions available to the press and public;

(6) Prepare, in accordance with the provisions of *this Act* [~~KRS 18A.005 to 18A.200~~] and the *administrative regulations* [~~rules~~] adopted thereunder, examinations, eligible lists, and ratings of candidates for appointment;

(7) Make certification for appointment or promotion within the classified service, in accordance with the provisions of *this Act* [~~KRS 18A.005 to 18A.200~~];

(8) Make investigations concerning all matters touching the enforcement and effect of the provisions of *this Act* [~~KRS 18A.005 to 18A.200~~] and *administrative* [~~rules and~~] regulations prescribed thereunder;

(9) Prepare, *as provided by this Act,* in cooperation with appointing authorities and others, programs for appraising employe work performance and collaborate with the several departments of the Commonwealth in the development of programs for employe training, safety, morale, work motivation, health, counseling, and welfare, and exercise leadership in the development of effective personnel administration within the several departments of the Commonwealth, and make available the facilities of the department to this end;

(10) Provide personnel services to unclassified employes in agreement with the agencies involved not otherwise provided for herein;

(11) Present, in accordance with the provisions of KRS *Chapter 48* [~~48.050~~], budget requests for the support of the personnel system created by KRS *Chapter 18A* [~~18A.005 to 18A.200~~], excluding the board, which shall present its own budget *requests* [~~estimates~~];

(12) Make a report and submit the same to the board, [~~and to~~] the governor, *and the legislative research commission* not later than October first of each year;

(13) Discharge such other duties as are imposed upon him by KRS *Chapter 18A* [~~18A.005 to 18A.200,~~] or by the board. The commissioner on behalf of the department may join or subscribe to any association or service having as its purpose the interchange of information relating to the improvement of the public service and especially improvement of personnel administration; and

(14) Keep records relative to employe turnover and report to the board, the governor and the legislative research commission quarterly. The report shall reflect employe turnover rates by cabinet, department, bureau, division and section. If any cabinet, department, bureau, division or section has a turnover rate of fifteen percent (15%) or more in any twelve (12) month period, the commissioner shall conduct an investigation into the reasons for the turnover and report the findings to the *commission* [~~board~~], the governor and the legislative research commission.

Section 13. KRS 18A.040 is amended to read as follows:

The board and the commissioner shall see that *administrative* [~~rules,~~] regulations and practices meeting federal merit system standards shall, where such standards apply as a prerequisite for federal grants-in-aid, be in effect continuously, notwithstanding any other provision of KRS 18A.005 to 18A.200.

Section 14. KRS 18A.050 is amended to read as follows:

(1) Any person serving on the board on July 15, 1982 shall serve until the expiration of his current term of office. Subsequent appointments shall be for a term of four (4) years from the date of expiration of the term for which his predecessor was appointed as provided in subsections (2) and (3) of this section, except that a person appointed to fill a vacancy prior to the expiration of such term shall be appointed in the same manner as provided in KRS 18A.045 and for the remainder of such term.

(2) Upon the expiration of the terms of office of the two (2) board members whose terms expire January 1, 1984, the governor shall appoint two (2) members from a list of four (4) names submitted by the legislative research commission. Thereafter, upon the expiration of these terms, such terms shall be filled in the same manner as provided in this subsection.

(3) Upon the expiration of the terms of office, of the members whose terms expire December 31, 1982, January 1, 1985, and January 1, 1986, the Governor shall appoint citizens at large who are not associated with state government in any manner. Thereafter upon the expiration of these terms, such terms shall be filled in the same manner as provided in this subsection.

(4) These five (5) appointments to the board shall be subject to confirmation by the senate. If the senate is not in session, these five (5) appointments shall be subject to review by the interim joint committee on state government which shall hold a public hearing and shall transmit its recommendations to the senate.

(5) The initial election of classified employes to the board shall be held as provided in KRS 18A.055. The two (2) classified employes initially elected to the board shall serve until July 1, 1986. Subsequent elections shall be for a term of four (4) years from the date of expiration of the term for which his predecessor was elected. If a vacancy occurs prior to the expiration of such term, the board shall fill the vacancy as provided in KRS 18A.060. *Effective for the election to be held in 1986 and all subsequent elections, a classified employe elected to the board shall not be eligible for reelection to the board. The classified employes elected to the board at the election held in 1982 shall be eligible for the 1986 election.*

(6) If an elected board member accepts an unclassified position with state government, his membership on the board shall be terminated immediately and the vacancy shall be filled as provided in KRS 18A.060.

(7) If an elected board member accepts a classified position in a cabinet employing another board member or if, through no fault of his own, he is placed in that cabinet, his membership on the board shall not be terminated for the remainder of his term.

Section 15. KRS 18A.075 is amended to read as follows:

Subject to the provisions of this Act and KRS Chapter 13, it shall be the duty of the board to:

(1) Adopt comprehensive *administrative regulations* [~~rules~~] consistent with the provisions of KRS *Chapter 18A* [~~18A.005 to 18A.200~~], and with federal standards for the administration of a personnel system in the agencies of the state government receiving federal grants;

(2) Present to the governor, through the secretary of the department of finance, for his adoption such classification and compensation plans for the state service, provision for vacation, sick and special leave and hours of work, together with rules for their administration, as recommended by the commissioner and the board after a thorough survey of the personnel and departmental organizations included in such plan or plans;

(3) Make investigations, either on petition of a citizen, taxpayer, interested party, or on its own motion, concerning the enforcement and effect of *the classified service* [~~KRS 18A.005 to 18A.200~~], and to require observance of its provisions and the rules and regulations made pursuant thereto; and to make such investigation as may be requested by the general assembly or the governor and to report thereon;

(4) Hear appeals from applicants for positions for which examinations are being or have been conducted, from eligibles on examination registers, from unclassified employes who have been dismissed, demoted, suspended, or otherwise penalized for cause, and from officers or employes serving under the personnel system created by KRS *Chapter 18A* [~~18A.005 to 18A.200~~], as [~~hereinafter~~] provided *by this Act* [~~, subject to the procedural rules which the board may adopt pursuant to the provisions of this section~~];

(5) Promote public understanding of merit principles in government service;

(6) Present, in accordance with the provisions of KRS Chapter 48, budget requests for the support of the personnel board;

(7)[~~(6)~~] Make annual reports to the governor and the legislative research commission and biennial reports to the general assembly, which reports shall be a public record freely available to those persons interested in obtaining a copy;

(8)[~~(7)~~] Advise the governor and the commissioner with respect to the administration of the personnel system created by KRS *Chapter 18A* [~~18A.005 to 18A.200~~];

(9)[~~(8)~~] Consider and act on such matters as may be referred to the board by the commissioner; and

(10)[~~(9)~~] Represent the public interest in the improvement of personnel administration in the state service, and advise and assist the commissioner in fostering the interest of institutions of learning and of civic, professional, and employe organizations in the improvement of personnel standards in the state service.

Section 16. KRS 18A.090 is amended to read as follows:

(1) As provided by the budget enacted by the general assembly and other laws applicable to state personnel, the board shall appoint an executive director who shall be the chief administrative officer of the board and serve as secretary to the board. He shall have proven administrative and managerial experience and familiarity with equal employment opportunity laws and regulations. The board shall appoint other employes it deems necessary in accordance with the provisions of this chapter. The salaries of the executive director and other employes of the board shall be determined by order of the board. The executive director of the board

shall prepare the budget request for approval by the board in the form and manner required by applicable law. For the purposes of KRS *Chapter 48* [~~45.070~~] the board shall be considered a budget unit.

(2) *The board shall appoint a general counsel pursuant to KRS 12.210 to provide legal services for the board. Upon request of the board, the attorney general may designate the general counsel as an assistant attorney general. The general counsel provided for by this subsection shall not be employed by personal service contract and shall be a full-time employe of the board* [~~The attorney general shall be an advisory member of the board~~].

Section 17. KRS 18A.095 is amended to read as follows:

(1) Any classified employe who is dismissed, demoted, suspended, or otherwise penalized after completing his probationary period of service or any unclassified employe who is dismissed, demoted, suspended, or otherwise penalized for cause may, within thirty (30) days after such dismissal, demotion, suspension, or other form of penalization, appeal to the board for review thereof. *A reallocation may be appealed if the employe has first requested reconsideration as provided by Section 18 of this Act. Any unclassified employe who is dismissed without cause shall not have the right to appeal. An evaluation may be appealed to the board if an employe has complied with the review procedure established under Section 4 of this Act.*

(2) Any state employe, applicant for employment, or eligible on a register may appeal to the personnel board on the grounds that his right to inspect or copy records, including preliminary and other supporting documentation, relating to him has been denied, abridged or impeded by a public agency. The board shall conduct a hearing to determine whether the records related to the employe, applicant or eligible, and whether his right to inspect or copy such was denied, abridged or impeded. If the board determines that the records related to the employe and that the right to inspect or copy such records has been denied, abridged or impeded, the board shall order the public agency to make them available for inspection and copying and shall charge the cost of the hearing to the public agency.

(3) Any classified or unclassified state employe may appeal to the board an action alleged to be based on discrimination due to race, color, religion, national origin, sex, or age.

(4) When an eligible's name is removed from a register for reasons specified by this Act, the commissioner shall notify the eligible of his action and the reasons therefor, together with his right of appeal. An eligible's name shall be restored to the register upon presentation of reasons satisfactory to the commissioner or in accordance with the decision of the board upon appeal.

(5) (a) Any employe, applicant for employment, or eligible on a register, who believes that he has been discriminated against, may appeal to the board for a hearing;

(b) Any applicant whose application for admission to an open-competitive examination has been rejected shall be notified of such rejection and the reasons therefor and may appeal to the board for reconsideration of his qualifications and for admission to the examination. Applicants may be conditionally admitted to an examination by the commissioner pending a consideration of an appeal. Admission to a written examination under such circumstances, however, shall not constitute the assurance of a passing grade in training and experience;

(c) Any applicant who has taken an examination may appeal to the board for a review of his rating in any part of such examination to assure that uniform rating procedures have been applied equally and fairly;

(d) An appeal to the board by applicants or eligibles under subsections (3), (4) and (5) of this section shall be filed in writing with the executive director not later than fifteen (15) calendar days after the notification of the action in question was mailed.

(6) Appeals to the board shall be in writing on an appeal form to be provided by the board. The appeal form shall instruct the employe to state whether he is a classified or unclassified employe, his full name, his appointing authority, work station address and telephone number, and, if he has retained counsel, the name, address and telephone number of his attorney. The form shall also instruct the employe to state the action he is appealing and a short, plain, concise statement of the facts. The form shall instruct an unclassified employe to make a short, plain, concise statement of the reason or cause given for his dismissal. Upon receipt of the appeal, the appointing authority shall be notified.

(7) All notices from the board shall be in writing. Notices shall be written so as to be readily understood by non-attorneys.

(8) [~~Upon such review, both~~] The appealing employe and the appointing authority whose action is reviewed shall have the right to be heard publicly and to be represented by counsel to present evidentiary facts. At the hearing of such appeals, technical rules of evidence shall not apply. *An appeal shall be decided only after a hearing. Each appeal shall be decided individually. The board shall not:*

(a) Employ class action procedures; or

(b) Conduct test representative cases.

(9) Any investigation by the board of any matter related to an appeal filed by an employe shall be conducted only upon notice to the employe, the employe's counsel, and the appointing authority. All parties to the appeal shall have access to information produced by such investigations and such information shall be presented at the hearing. Any party to the hearing shall be permitted an adequate opportunity to rebut or

comment upon such information.

(10) Each appeal shall be decided on its merits and the board shall base its decision upon facts and information produced at the hearing.

(11) Except as authorized by law, a board member shall neither initiate, participate in, nor consider ex parte or other communications concerning a pending or impending proceeding before the board. Board members shall abstain from public comment about a pending or impending proceeding before the board, and shall require similar abstention on the part of board personnel subject to the board's direction and control. This shall not prohibit board members from making public statements in the course of their official duties or from explaining for public information the procedures of the board.

(12) An appeal to the board may be heard by individual members of the board, by its executive director or by a hearing officer of the board. Any appeal heard by less than the full board shall be subject to review by the full board upon petition for such review by either party to the appeal. Petition for review by the full board shall be filed with the board within thirty (30) days of the recommended order issued by a member, the executive director, or a hearing officer.

(a) If the board finds that the action complained of was taken by the appointing authority in violation of laws prohibiting favor for, or discrimination against, or bias with respect to his political or religious opinions or affiliations or ethnic origin, or in violation of laws prohibiting discrimination because of such individual's sex or age or handicap, the appointing authority shall, not later than thirty (30) days after receipt of such findings and recommendations, reinstate the employe to his former position or a position of like status and pay, without loss of pay for the period of his penalization, or otherwise make the employe whole.

(b) If the board finds that the action complained of was taken without just cause, the board shall order the employe reinstated to his former position or a position of like status and pay, without loss of pay for the period of his penalization, or otherwise make the employe whole.

(c) [~~In all other cases,~~] If the board finds that the action taken by the appointing authority was excessive or erroneous in view of all the surrounding circumstances, the board shall alter, modify or rescind the disciplinary action.

(d) In all other cases, the board shall rescind the action taken or otherwise grant such other relief to which the employe is entitled.

(e) If a final order of the board is appealed, a court shall award reasonable attorney fees to an employe who prevails by a final adjudication on the merits. Such award shall not include attorney fees attributable to the hearing before the board.

(f) The appointing authority shall, not later than thirty (30) days after receipt of the final order of the board, comply with such final order. When any employe is dismissed and not ordered reinstated after such appeal, the board in its discretion may direct that his name be placed on an appropriate reemployment list, for employment in any similar position other than the one from which he had been removed.

(13) After a final decision has been rendered by the board or court, an employe who prevails in his appeal shall be credited with the amount of leave time used for time spent at his hearing before the board or court. Employes who had an insufficient amount of leave time shall be credited with leave time equal to the amount of time spent at their hearings before the board or court.

[~~(2) Any unclassified employe who is dismissed without cause shall not have the right of appeal as provided in this section.~~]

(14)[~~(3)~~] The board shall, within sixty (60) days after an appeal is filed, hear the appeal, and shall, within ninety (90) days after an appeal is filed, issue a final determination for the disposition thereof.

Section 18. KRS 18A.110 is amended to read as follows:

The commissioner shall prepare and submit to the board proposed *administrative regulations* [~~rules~~] for the classified service. Such *administrative regulations shall comply with the provisions of this Act and KRS Chapter 13, and* [~~rules~~] shall have the force and effect of law, when approved by the board, after public notice and public hearing, and after filing with the legislative research commission in accordance with KRS Chapter 13 and procedures adopted thereunder. If not disapproved by the board within forty-five (45) days after the submission thereof, they shall have the same force and effect as if approved. Amendments thereto may be made in the same manner, or on the initiative of the board. The *administrative regulations* [~~rules~~] shall provide:

(1) For the preparation, maintenance and revision of a position classification plan for all positions in the classified service, based upon similarity of duties performed and responsibilities assumed, so that the same qualifications may reasonably be required for and the same schedule of pay may be equitably applied to all positions in the same class. After such classification has been approved by the board, the commissioner shall allocate the position of every employe in the classified service to one (1) of the classes in the plan. Any employe affected by the allocation of a position to a class shall, after filing with the commissioner a written request for reconsideration thereof in such manner and form as the commissioner may prescribe, be given a reasonable opportunity to be heard thereon by the commissioner. *The commissioner shall make a determination within sixty (60) days after the request has been filed by an employe. After reconsideration of*

the request by the commissioner, the employe may file an appeal to the personnel board pursuant to KRS 18A.095;

(2) For a pay plan for all employes in the classified service, after consultation with appointing authorities and the secretary of the department of finance. The plan shall take into account such factors as*:*

(a) The relative levels of duties and responsibilities of various classes of positions;

(b) Rates paid for comparable positions elsewhere; and

(c) The state's financial resources.

Such pay plan shall become effective only after it has been approved by the governor after submission to him by the board. Amendments to the pay plan may be made in the same manner. Each employe shall be paid at one (1) of the rates set forth in the pay plan for the class of position in which he is employed;

(3) For open competitive examinations to test the relative fitness of applicants for the respective positions. Such examinations shall be announced publicly at least fifteen (15) days in advance of the date fixed for the filing of applications therefor, and may be advertised through the press, radio and other media. The commissioner shall continue to receive applications and examine candidates on a continuous basis long enough to assure a sufficient number of eligibles to meet the needs of the service, and shall add the names of successful candidates to existing eligible lists in accordance with their respective ratings. The commissioner shall be free to use any investigation of education and experience and any test of capacity, knowledge, manual skill, character, personal traits, or physical fitness which in his judgment serves the need to discover the relative fitness of applicants;

(4) For promotions which shall give appropriate consideration to the applicant's qualifications, record of performance, conduct and seniority. *Except as provided by this Act,* vacancies shall be filled by promotion whenever practicable and in the best interest of the service;

(5) *As provided by this Act,* for the establishment of eligible lists for appointment, upon which lists shall be placed the names of successful candidates in the order of their relative excellence in the respective examinations. *Except as provided by this Act,* eligibility lists shall expire automatically at the end of two (2) years, unless the life of a list is extended by action of the board for a period not to exceed one (1) additional year;

(6) For the rejection of candidates or eligibles who fail to comply with reasonable requirements of the commissioner in regard to such factors as age, physical condition, training and experience, or who have been guilty of infamous or disgraceful conduct; who are addicted to alcohol to excess or to narcotics, or who have attempted any deception or fraud in connection with an examination;

(7) *Except as provided by this Act,* for the appointment of a person whose score is included in the five (5) highest scores earned on the examination;

(8) For a period of probation not to exceed *six (6) months* [~~one (1) year~~] before appointment or promotion may be made complete, and during which period a probationer may be discharged or reduced in class or rank, or replaced on the eligible list *except as provided by this Act.* Unless the appointing authority notifies the employe prior to the end of the probationary period that the employe's services are not satisfactory, the employe shall have status in the classified service. The notice shall be in writing and as provided by personnel rules;

(9) For emergency employment for not more than thirty (30) working days with or without examination, with the consent of the commissioner;

(10) For provisional employment without competitive examination when there is no appropriate eligible list available. No such provisional employment shall continue longer than six (6) months, nor shall successive provisional appointment be allowed to the same position;

(11) For transfer from a position in one (1) department to a similar position in another department involving similar qualifications, duties, responsibilities, and salary ranges;

(12) For reinstatement within not more than five (5) years, only with the approval of the commissioner, of persons who resign in good standing or who are laid off from their positions without fault or delinquency on their part;

(13) For developing, in *accordance with Section 4 of this Act* [~~cooperation with the appointing authorities~~], uniform standards and methods of appraising work performance of all employes and for the use of such methods of appraisal in personnel actions;

(14) For layoffs *in accordance with Sections 5, 6 and 7 of this Act* by reasons of lack of funds or work, or abolishment of a position, or material change in duties or organization, and for reinstatement of employes so laid off, giving consideration in both layoffs and reemployment to qualifications, performance records, conduct and seniority in service;

(15) For imposition as disciplinary measures of a fine of not more than ten (10) working days' pay or for suspension from the service without pay for not longer than thirty (30) working days and for the manner of notification of the employe of the discipline and his right of appeal *as provided in this Act*;

(16) For discharge or reduction in rank or grade only for cause, after the person to be discharged or reduced has been presented with the reasons for such discharge or reduction stated in writing, and has been allowed a reasonable time to reply thereto in writing, or, upon request, to appear personally with counsel and

reply to the head of the department or his deputy. The statement of reasons and the reply shall be filed as a public record with the commissioner;

(17) For establishment of a plan for resolving employe grievances and complaints *that does not restrict rights granted under this Act*;

(18) For annual, sick and special leaves of absence, with or without pay, or reduced pay, after approval by the governor [~~as provided in subsection (2) of KRS 18A.075~~];

(19) For the development and operation of programs to improve the work effectiveness of employes in the state service, including training, whether in-service or compensated educational leave, safety, health, welfare, counseling, recreation, and employe relations;

(20) For promotion of career employes to positions in the unclassified service without loss of status to the individual employes so promoted;

(21) For such other [~~rules and~~] administrative regulations not inconsistent with *this Act and KRS Chapter 13* [~~KRS 18A.005 to 18A.200~~], as may be proper and necessary for its enforcement.

Section 19. KRS 18A.115 is amended to read as follows:

(1) The classified service to which KRS 18A.005 to 18A.200 shall apply shall comprise all positions in the state service now existing or hereafter established, except the following:

(a) The general assembly and employes of the general assembly including the employes of the legislative research commission;

(b) Officers elected by popular vote and persons appointed to fill vacancies in elective offices;

(c) Members of boards and commissions;

(d) Officers and employes on the staff of the governor, the lieutenant governor, the office of the secretary of the governor's cabinet, and the office of program administration;

(e) Cabinet secretaries, commissioners, office heads, and the administrative heads of all boards and commissions, including the executive director of Kentucky Educational Television;

(f) Employes of Kentucky Educational Television who have been determined to be exempt from classified service by the Kentucky Authority for Educational Television, which shall have sole authority over such exempt employes for employment, dismissal and setting of compensation, up to the maximum established for the executive director and his principal assistants;

(g) One (1) principal assistant or deputy for each person exempted under subsection (1)(e) of this section;

(h) One (1) additional principal assistant or deputy as may be necessary for making and carrying out policy for each person exempted under subsection (1)(e) of this section in those instances in which the nature of the functions, size or complexity of the unit involved are such that the commissioner approves such an addition on petition of the relevant cabinet secretary or department head and such other principal assistants, deputies, or other major assistants as may be necessary for making and carrying out policy for each person exempted under subsection (1)(e) of this section in those instances in which the nature of the functions, size or complexity of the unit involved are such that the board may approve such an addition or additions on petition of the department head approved by the commissioner;

(i) Division directors subject to the provisions of KRS 18A.170. Division directors in the classified service as of January 1, 1980, shall remain in the classified service;

(j) Physicians employed as such;

(k) One (1) private secretary for each person exempted under subsections (1)(e), (1)(g) and (1)(h) of this section;

(l) The judicial department, referees, receivers, jurors, and notaries public;

(m) Officers and members of the staffs of state universities and colleges and student employes of such institutions; and officers, teachers, and employes of local boards of education;

(n) Patients or inmates employed in state institutions;

(o) Persons employed in a professional or scientific capacity to make or conduct a temporary or special inquiry, investigation, or examination on behalf of the general assembly, or a committee thereof, or by authority of the governor, and persons employed by state agencies for a specified, limited period to provide professional, technical, scientific, or artistic services under the provisions of KRS 45.700 to 45.720;

(p) Seasonal, temporary, and emergency employes;

(q) Federally funded time-limited employes;

(r) Officers and members of the state militia;

(s) State police troopers and sworn officers in the bureau of state police, department of justice;

(t) University or college engineering students or other students employed part-time or part-year by the state through special personnel recruitment programs; provided that while so employed such aides shall be under contract to work full-time for the state after graduation for a period of time approved by the commissioner or shall be participants in a cooperative education program approved by the commissioner;

(u) Superintendents of state mental institutions, including heads of mental retardation centers, and penal and correctional institutions as referred to in KRS 196.180(2);

(v) Staff members of the Kentucky Historical Society, if they are hired in accordance with KRS

171.311;

(w) County and commonwealth's attorneys and their respective appointees;

(x) Chief district engineers and the state highway engineer.

(2) Nothing in KRS 18A.005 to 18A.200 is intended, or shall be construed, to alter or amend the provisions of KRS 150.022 and 150.061.

(3) Nothing herein is intended or shall be construed to affect any nonmanagement, nonpolicy-making position which must be included in the classified service as a prerequisite to the grant of federal funds to a state agency.

(4) Classified employes with status promoted to positions exempted from classified service shall, upon termination of their employment in the exempted service, revert to a position in that class in the agency from which they were terminated if a vacancy in that class exists. If no such vacancy exists, they shall be *offered* [~~considered for~~] employment in any vacant position for which they *are* [~~were~~] qualified [~~pursuant to KRS 18A.130 and 18A.135~~].

(5) Nothing herein shall be construed as precluding appointing officers from filling nonclassified positions in the manner in which positions in the classified service are filled except as otherwise provided herein.

Section 20. KRS 18A.125 is amended to read as follows:

(1) No disbursing or auditing officer of the Commonwealth shall make or approve or take any part in making or approving any payment for personal service to any person holding a position in the classified or unclassified service unless the payroll voucher or account of such pay bears the certification of the commissioner, or of his authorized agent, that the persons named therein have been appointed and employed in accordance with the provisions of KRS 18A.005 to 18A.200, *administrative* [~~and the rules,~~] regulations, and orders thereunder. The commissioner may for proper cause or upon order of the board withhold certification from an entire payroll or from any specific item or items thereon. The commissioner may, however, provide that certification of payrolls may be made once every six (6) months, and such certification shall remain in effect except in the case of any officer or employe whose status has changed after the last certification of his payroll. In the latter case no voucher for payment of salary to such employe shall be issued or payment of salary made without the further certification of the commissioner.

(2) Any citizen, including public officers, may maintain a suit to restrain a disbursing officer from making any payment in contravention of any provision of KRS 18A.005 to 18A.200, or of any rule, regulation or order thereunder. Any sum paid contrary to any provision of KRS 18A.005 to 18A.200 or of any *administrative* [~~rule,~~] regulation[~~,~~] or order thereunder may be recovered in an action maintained by any citizen, from any officer who made, approved, or authorized such payment or who signed or countersigned a voucher, payroll, check or warrant for such payment, or from the sureties on the official bond of any such officer. All moneys recovered in any such action shall be paid into the treasury.

(3) Any person appointed or employed in contravention of any provision of KRS 18A.005 to 18A.200 or of any *administrative* [~~rule,~~] regulation[~~,~~] or order thereunder, who performs service for which he is not paid, may maintain an action against the officer or officers, employe or employes, who purported so to appoint or employ him, to recover the agreed pay for such services, or the reasonable value thereof if no pay was agreed upon. No such officer or employe shall be reimbursed by the Commonwealth at any time for any sum paid to such person on account of such services.

(4) If the commissioner wrongfully withholds certification of the payroll voucher or account of any employe, such employe may maintain a proceeding in the circuit court in the county in which he resides to compel the commissioner to certify such payroll voucher or account.

Section 21. KRS 18A.155 is amended to read as follows:

(1) The commissioner shall prepare and submit proposed *administrative regulations* [~~rules~~] to the governor for employes in unclassified positions enumerated in paragraphs (g), (h), (i), (j), (k), (p), (u), and (v) of subsection (1) of KRS 18A.115. Such *administrative regulations* [~~rules~~] shall become effective after approval by the governor and promulgation in accordance with KRS Chapters 12 and 13 *and the provisions of this Act*. The *administrative regulations* [~~rules~~] shall provide:

(a) For the preparation, maintenance and revision of a position classification plan for all aforementioned positions in the unclassified service, based upon similarity of duties performed and responsibilities assumed, so that the same qualifications may reasonably be required for and the same schedule of pay may be equitably applied to all positions in the same class. After such classification plan has been approved by the governor, the commissioner shall allocate the positions of every employe in the unclassified service to one (1) of the classes of the plan. Any employe affected by the allocation of a position to a class shall, after filing with the commissioner a written request for reconsideration thereof in such manner and form as the commissioner may prescribe, be given a reasonable opportunity to be heard thereon by the commissioner;

(b) For a pay plan for all aforementioned employes in the unclassified service, after consultation with appointing authorities and the secretary of the department of finance, and taking into account such factors as:

1. The relative levels of duties and responsibilities of various classes of positions;
2. Rates paid for comparable positions elsewhere; and
3. The state's financial resources.

Such pay plan shall become effective only after it has been approved by the governor after submission to him by the commissioner through the secretary of the department of finance. Amendments to the pay plan may be made in the same manner. Each employe shall be paid at one (1) of the rates set forth in the pay plan for the position in which he is employed;

(c) For transfer from a position in one (1) department to a similar position in another department involving similar qualifications, duties, responsibilities, and salary ranges;

(d) For annual, sick and special leaves of absence, with or without pay, or reduced pay, after approval by the governor [~~as provided in subsection (2) of KRS 18A.075~~];

(e) For the development and operation of programs to improve the work effectiveness and morale of employes in the unclassified service, including training, safety, health, welfare, counseling, recreation, and employe relations;

(f) For such other [~~rules and~~] administrative regulations, not inconsistent with KRS 18A.005 to 18A.200, as may be proper and necessary for its enforcement.

(2) Nothing herein shall be construed to preclude the optional use of *administrative regulations* [~~rules~~] promulgated under this section on behalf of employes enumerated in paragraphs (a), (b), (d), (e) and (q) of subsection (1) of KRS 18A.115 and on behalf of members of state boards and commissions who work on a full-time, salaried basis.

Section 22. KRS 18A.165 is amended to read as follows:

(1) All officers and employes of the Commonwealth shall comply with, and aid in all proper ways in carrying out, the provisions of KRS 18A.005 to 18A.200 and the *administrative* [~~rules,~~] regulations[~~,~~] and orders of the board thereunder. All officers and employes shall furnish any records or information pertaining to the administration of KRS 18A.005 to 18A.200 which the commissioner or the board may request. The commissioner or the board may require the attorney general to institute and maintain such legal action as the commissioner or the board may consider necessary or appropriate to secure compliance with KRS 18A.005 to 18A.200 and the *administrative regulations* [~~rules~~] and orders thereunder.

(2) The secretary of the finance and administration cabinet may review and approve all proposed position establishments and abolishments. Reclassifications and reallocations may also be reviewed and approved by the secretary of the finance and administration cabinet on the basis of the availability of funds. The finance and administration cabinet shall notify the department [~~and the board~~] of any review and approval conducted under the provisions of this section.

Section 23. KRS 18A.185 is amended to read as follows:

For the purpose of any *administrative* regulation issued under KRS 18A.110 or 18A.155 governing entitlement to annual leave days, sick leave days or the accumulation of such leave days, any period of service as an elected state official, including but not limited to service in the general assembly, by any officer or employe to whom such *administrative* regulation applies shall be considered to have been full-time employment in the state service.

Section 24. KRS 18A.202 is amended to read as follows:

Subject to the approval of the personnel board, the commissioner is authorized to install and implement by *administrative* regulation work-related incentive programs for state employes. Such programs may include, but not be limited to, an employe suggestion system whereby employes in the classified service may be recognized and rewarded for submitting suggestions that result in the improvement of state service or in the realization of financial savings by the state. Such programs may provide that when an employe suggestion has been adopted and resulted in a financial savings to the state, the employe who submitted the suggestion may be compensated for his service through a cash bonus in an amount to the lesser of ten percent (10%) of the amount saved or two thousand five hundred dollars ($2,500).

Section 25. KRS 18A.355 is amended to read as follows:

(1) An annual increment of not less than five percent (5%) of the gross annual salary or wages of each state employe shall be granted to each employe *on his anniversary date. The employe's salary shall be increased by the amount of the annual increment.*

(2) The *branch* [~~biennial~~] budget *recommendation* [~~report~~] submitted to the general assembly under KRS *Chapter 48* [~~45.040~~] shall include a request for the amount of the annual increment expressed as a percentage of each employe's gross salary or wages and a request for the total appropriation needed to fund the annual increment. The annual increment shall be uniform for all employes. *The budget reduction plan submitted and enacted under the provisions of KRS 48.130 shall provide that a reduction of the annual increment granted under this section shall be made only after other cost savings actions, including but not limited to a hiring freeze, have been taken and have not alleviated the actual or projected deficit. Any reduction in the annual increment shall be uniform for all employes, and shall comply with the provisions of KRS Chapter 48 and this Act.* The financial plan enacted under the provisions of KRS *48.300* [~~45.050~~] shall contain the annual increment expressed as a percentage of each employe's gross salary or wages, and the total

appropriation needed to fund the annual increment.

(3) The budget reduction plan submitted and enacted under the provisions of KRS Chapter 48 shall provide that a reduction of the annual increment granted under this section shall be made only after other cost savings actions, as provided by subsection (2) of Section 7 of this Act, are taken. Any such reduction shall be uniform for all state employes and shall comply with the provisions of this Act and KRS Chapter 48.

Section 26. KRS 48.130 is amended to read as follows:

(1) The branch budget recommendation submitted by each branch of government shall include a plan for the reduction of the respective budget recommendations, by budget unit, when projected or actual tax receipts accruing to the general fund or road fund are at least two and one-half percent (2 1/2%) but not more than five percent (5%) less than the revenue estimates for these funds as determined under subsection (3) of KRS 48.120.

(2) In recommending budget reductions, the governor, the chief justice, and the legislative research commission shall not recommend universal percentage reductions but shall weigh the needs of all budget units and shall strive to protect the highest possible level of service in their respective branches. Services which are not essential to constitutional functions shall be subject to reduction. Transfer of funds may be authorized by the budget reduction plan.

(3) The plan shall be enacted as modified by the general assembly, in each joint budget resolution.

(4) In the event of an actual or projected deficit in tax receipts provided for by this section, the department of revenue shall notify all branches of government:

(a) If funds that have accrued to the surplus accounts of the general or road funds are not sufficient to meet these deficits, the allotments to the respective branches shall be reduced according to the reduction provisions embodied in the joint budget resolution, and the governor, the chief justice, and the legislative research commission shall automatically implement budget reductions for their respective branches according to the reduction provisions embodied in the joint budget resolution*; and* [~~.~~]

(b) In the event funds that have accrued to the surplus accounts of the general or road funds are sufficient to meet these deficits, transfers from these surplus accounts shall be made, as appropriate, and the budget reduction provisions embodied in the joint budget resolution shall not be implemented.

(5) In the event of an actual or projected deficit in tax receipts provided for by this section of less than two and one-half percent (2 1/2%), the governor, the chief justice, and the legislative research commission shall implement budget reductions for their respective branches on their own initiative.

(6) The budget reduction plan shall provide that the annual increment granted state employes under Section 25 of this Act shall be reduced as provided by this Act. Any such reduction of the annual increment shall be uniform for all employes.

(7) If general fund or road fund tax receipts increase over the estimated deficits, then services shall be restored in the reverse order of the reduced services.

(8)[~~(7)~~] This section shall not preclude the general assembly, in regular or special session, from amending a joint budget resolution requiring budget reductions nor shall it preclude the governor from calling a special session of the general assembly at any time the budget reduction plan is in effect.

Section 27. KRS 61.878 is amended to read as follows:

(1) The following public records are excluded from the application of KRS 61.870 to 61.884 and shall be subject to inspection only upon order of a court of competent jurisdiction:

(a) Public records containing information of a personal nature where the public disclosure thereof would constitute a clearly unwarranted invasion of personal privacy.

(b) Records confidentially disclosed to an agency and compiled and maintained for scientific research, in conjunction with an application for a loan, the regulation of commercial enterprise, including mineral exploration records, unpatented, secret commercially valuable plans, appliances, formulae, or processes, which are used for the making, preparing, compounding, treating, or processing of articles or materials which are trade commodities obtained from a person and which are generally recognized as confidential, or for the grant or review of a license to do business and if openly disclosed would permit an unfair advantage to competitors of the subject enterprise. This exemption shall not, however, apply to records the disclosure or publication of which is directed by other statute.

(c) Public records pertaining to a prospective location of a business or industry where no previous public disclosure has been made of the business' or industry's interest in locating in, relocating within or expanding within the Commonwealth. Provided, however, that this exemption shall not include those records pertaining to application to agencies for permits or licenses necessary to do business or to expand business operations within the state, except as provided in paragraph (b) above.

(d) The contents of real estate appraisals, engineering or feasibility estimates and evaluations made by or for a public agency relative to acquisition of property, until such time as all of the property has been acquired; provided, however, the law of eminent domain shall not be affected by this provision.

(e) Test questions, scoring keys and other examination data used to administer a licensing examination, examination for employment or academic examination before the exam is given or if it is to be given again.

(f) Records of law enforcement agencies or agencies involved in administrative adjudication that were compiled in the process of detecting and investigating statutory or regulatory violations if the disclosure of the information would harm the agency by revealing the identity of informants not otherwise known or by premature release of information to be used in a prospective law enforcement action or administrative adjudication. Unless exempted by other provisions of KRS 61.870 to 61.884, public records exempted under this provision shall be open after enforcement action is completed or a decision is made to take no action. Provided, however that the exemptions provided by this subsection shall not be used by the custodian of the records to delay or impede the exercise of rights granted by KRS 61.870 to 61.884.

(g) Preliminary drafts, notes, correspondence with private individuals, other than correspondence which is intended to give notice of final action of a public agency.

(h) Preliminary recommendations, and preliminary memoranda in which opinions are expressed or policies formulated or recommended.

(i) All public records or information the disclosure of which is prohibited by federal law or regulation.

(j) Public records or information the disclosure of which is prohibited or restricted or otherwise made confidential by enactment of the general assembly.

(2) No exemption in this section shall be construed to prohibit disclosure of statistical information not descriptive of any readily identifiable person.

(3) No exemption in this section shall be construed to deny, abridge or impede the right of a state employe, an applicant for employment, or an eligible on a register to inspect and to copy any record including preliminary and other supporting documentation that relates to him. Such records shall include, but not be limited to, work plans, job performance, demotions, evaluations, promotions, compensation, transfers, layoffs, disciplinary actions, examinations and preliminary and other supporting documentation.

(4) If any public record contains material which is not excepted under this section, the public agency shall separate the excepted and make the non-excepted material available for examination.

(5)[~~(4)~~] The provisions of this section shall in no way prohibit or limit the exchange of public records or the sharing of information between public agencies when the exchange is serving a legitimate governmental need or is necessary in the performance of a legitimate government function.

Section 28. KRS 453.260 is amended to read as follows:

(1) In addition to any costs which are awarded as prescribed by statute, a court shall award costs to any party which prevails by a final adjudication on the merits in any of the following:

(a) A civil action brought by the Commonwealth against the party;

(b) A civil action brought by the party against the Commonwealth to challenge the assessment or collection of taxes;

(c) A court proceeding to review an administrative review board decision, where the original administrative action was brought by the Commonwealth against the party.

(2) The court in its discretion may deny the award provided for in this section, or may reduce the award, if it finds that:

(a) During the course of the proceeding the prevailing party unduly and unreasonably protracted the final resolution of the matter; or

(b) The reason that the party other than the Commonwealth has prevailed is an intervening change in the applicable statutes, regulations or case law; or

(c) The prevailing party refused an offer of civil settlement which was at least as favorable to the party as the relief ultimately granted; or

(d) The position of the Commonwealth was substantially justified or a special circumstance would make an award unjust provided, however, that the burden of proof of substantial justification or special circumstance shall rest with the Commonwealth.

(3) A party may apply pursuant to the applicable Rules of Civil Procedure for an award of attorney fees and other expenses authorized under this section and shall include as part of the application evidence of the party's eligibility for the award and the amount sought, including an itemized and attested statement from the attorneys and experts stating the actual time expended in representing the party and the rate at which the fees were computed. The party shall also allege in such application that the Commonwealth acted without substantial justification.

(4) The court shall base any award of fees as provided in this section on prevailing market rates for the kind and quality of services furnished, except that:

(a) An expert is not eligible for compensation at a rate in excess of the prevailing rate of compensation for similar experts paid by the Commonwealth;

(b) The award of attorney fees may not exceed the amount which the prevailing party has paid or has agreed to pay the attorney or a maximum amount of forty dollars ($40.00) per hour unless the court determines that an increase in the cost of living or a special factor, such as the limited availability of qualified attorneys for the proceeding involved, justifies a higher fee;

(c) No award shall be greater than ten thousand dollars ($10,000) to each party except that no award shall be made to any party who voluntarily intervenes in any such action.

(5) This section does not:

(a) Apply to an action arising from a proceeding before the Commonwealth in which the role of the Commonwealth was to determine the eligibility or entitlement of an individual to a monetary benefit or its equivalent, or to adjudicate a dispute or issue between private parties or to establish or fix a rate. As used in this subsection, monetary benefit or its equivalent shall not include a license, permit, charter or similar instrument that the Commonwealth may require to engage in a business, profession or similar activity;

(b) Apply to proceedings brought by the Commonwealth pursuant to KRS Chapters 218A, 431 to 439, and 500 to 534;

(c) Apply to proceedings involving eminent domain, foreclosure, collection of judgment debts or proceedings in which the Commonwealth is a nominal party;

(d) Personally obligate any officer or employe of the Commonwealth for the payment of an award entered under this section;

(e) Apply to proceedings brought pursuant to KRS Chapters [~~18,~~] 209, 342 and KRS 199.011 to 199.630.

Section 29. KRS 18A.350 is amended to read as follows:

As used in [~~this~~] KRS 18A.355 and 18A.360, "employe" means any officer or employe of the executive branch of government. The provisions of KRS 18A.355 and 18A.360 do not apply to employes of the general assembly, the legislative research commission, or the court of justice, or to any constitutional officer.

Section 30. The following KRS sections are repealed:

18A.130 Reemployment of career employe terminated on or after January 1, 1980.
18A.135 Reemployment of career employes.
18A.360 Increase or reduction of annual increment.

The Committee Amendment No. 1 to **SB 404** is as follows:

Amend printed copy of **SB 404** on page 5, line 15, by deleting "*six (6) months*" and by inserting in lieu thereof the words "*twelve (12) month*"; and

On page 6, by deleting lines 10 through 19 in their entirety, and by inserting in lieu thereof the following words:

"*and who does not successfully complete twelve (12) months service in the position to which he has been promoted shall be reverted to a position in his former class.*"; and

On page 6, line 24, by deleting the words "*shall be evaluated after having served for six*"; and

On page 6, by deleting lines 25 through 26 in their entirety and by inserting in lieu thereof the following:

"*shall serve a probationary period of twelve (12) months.*";

On page 7, by deleting lines 1 through 26 in their entirety; and

On page 8, by deleting lines 1 through 26 in their entirety; and

On page 9, by deleting lines 1 through 26 in their entirety; and

On page 10, by deleting line 1 in its entirety; and

On page 10, line 2, by deleting "5" and inserting in lieu thereof "4"; and

On page 12, line 11, by deleting "6" and inserting in lieu thereof "5"; and

On page 13, line 12, by deleting "*7*" and by inserting in lieu thereof "*6*"; and

On page 13, line 15, by deleting "7" and inserting in lieu thereof "6"; and

On page 14, line 15, by deleting "*6*" and by inserting in lieu thereof "*5*"; and

On page 14, line 16, by deleting the word "performance"; and

On page 15, by deleting lines 8 through 15 in their entirety; and

On page 15, line 16, by deleting "9" and by inserting in lieu thereof "7"; and

On page 15, line 26, by inserting "*sixteen (16)*" before the word "twenty"; and

On page 15, line 26, by bracketing and striking through "twenty (20)"; and

On page 16, line 2, by inserting "*sixteen (16)*" before the word "twenty" and by bracketing and striking through "twenty (20)"; and

On page 17, line 18, by deleting "*for the pur-*" and

On page 17, line 19, by deleting the words "*pose of calculating the annual increment,*"; and

On page 18, line 10, by deleting "*six (6)*" and by inserting in lieu thereof, "*twelve (12)*"; and

On page 20, line 14, by inserting the following before the semicolon:

"*and the level, rank, discretion and responsibilities achieved within the classification and compensation systems*"; and

On page 21, line 21, by deleting "10" and inserting in lieu thereof "8"; and

On page 22, line 7, by deleting "11" and inserting in lieu thereof "9"; and

On page 25, line 9, by deleting "12" and by inserting in lieu thereof "10"; and

On page 29, line 2, by deleting "13" and by inserting in lieu thereof "11"; and

On page 29 by deleting lines 10 through 26 in their entirety; and

On page 30 by deleting lines 1 through 30 in their entirety; and

On page 31, by deleting lines 1 through 12 in their entirety, and inserting in lieu thereof the following:

"Section 12. KRS 18A.055 is amended to read as follows:

(1) The initial election of a classified employe shall be held on or before September 15, 1982. Subsequent elections shall be held every four (4) years on or before July 1.

(2) The department shall provide written notification of the date of the initial election to all classified employes on or before August 1, 1982. In subsequent elections, written notification shall be provided to all classified employes on or before May 15.

(3) Classified employes wishing to serve on the initial board shall notify the department on or before August 15, 1982, of their intent. The notification shall be notarized and include the candidate's name, address, social security number, job classification and length of state employment. The notification shall also include the name and address of his employer. In subsequent elections all candidates to the board shall notify the department of their intent to run, in the same manner, on or before June 1.

(4) *There is hereby created a personnel board election committee, which shall supervise the election of board members under the provisions of this Act. The committee shall consist of three (3) members, one (1) shall be the commissioner or his designee, one (1) shall be the chairman of the board or his designee, and one (1) shall be the head of the coalition of state employes or his designee.*

(5) For the initial election to the board the department shall *mail to all classified employes a ballot, two (2) official envelopes for returning the ballot, and instructions for voting. The outer envelope shall bear the words "Classified Employe Voter's Ballot" and the name, official title, and address of the person designated by the department to receive it and shall provide space for the voter's signature, social security number, and place of employment. A detachable flap on the inner envelope shall provide space for the voter's*

signature, social security number, and place of employment. The department's designee shall type the voter's name, social security number and place of employment in the upper left hand corner of the voter's outer envelope and of the detachable flap on the inner envelope immediately below the blank space for the voter's signature. The inner envelope shall be blank [~~provide ballots for the initial election to the board to all classified employes on or before September 1, 1982. Ballots shall contain the name, address, job classification and length of state employment of all candidates as well as the names and addresses of their employers.~~] In subsequent elections, ballots shall be provided *in the same manner as provided for the initial election* to all classified employes, in the same manner, on or before June 15.

(6) The voter shall mark his ballot, seal it in the inner envelope and then in the outer envelope, and mail it. The voter shall sign the detachable flap and the outer envelope in order to validate the ballot.

(7) The department's designee shall deposit all of the returned ballots in a locked box immediately upon receipt without opening the outer envelope. The box shall be locked with three (3) different locks. Each member of the committee shall receive one (1) key. The box shall remain locked until the ballots are counted.

(8)[~~(5)~~] All returned ballots for the initial election to the board shall be [~~signed and~~] postmarked no later than midnight, September 15, 1982. In subsequent elections, all returned ballots shall be [~~signed and~~] postmarked no later than midnight, July 1.

(9)[~~(6)~~] The *committee* [~~department~~] shall tabulate all returned ballots for the initial election and subsequent elections to the board *by opening the ballot boxes containing voter's ballots and removing the envelopes one (1) at a time. As each envelope is removed, it shall be examined to ascertain whether the outer envelope and the detachable flap are in proper order and have been signed by the voter. All unsigned ballots shall be rejected automatically. If the outer envelope and detachable flap are found to be in order, the committee shall then remove the detachable flap and place the inner envelope unopened in a ballot box which has been provided for that purpose. After all the blank envelopes have been placed in the box, the box shall be thoroughly shaken so as to redistribute the ballots. The committee shall then open the box, remove the ballots from the inner envelopes and count the ballots on a form provided for this purpose.*

(10) [~~and notify all~~] Successful candidates *shall be notified by the committee* within five (5) working days of the elections. The two (2) candidates receiving the largest number of votes shall be declared the successful candidates. In the event of a tie vote, the tie shall be broken by a coin toss in the presence of the candidates in question. Successful candidates shall take office immediately upon notification.

(11)[~~(7)~~] All ballots, *detachable flaps, and outer envelopes* for the initial and all subsequent elections shall be public record and open to public inspection for at least sixty (60) days after the elections.

(12)[~~(8)~~] State employes shall not use state materials or equipment for any purpose related to the election of classified employes to the board, nor shall any activity related to the election of a classified employe to the board be conducted during working hours."; and

On page 31, line 13, by deleting "15" and inserting in lieu thereof, "13"; and

On page 33, line 17, by deleting "16" and inserting in lieu thereof, "14"; and

On page 34, line 18, by deleting "17" and inserting in lieu thereof, "15"; and

On page 37, line 25, by inserting before the word "At", the following language:

"*Any party to an appeal may obtain discovery of any matter which relates to the subject matter involved in an appeal, by one (1) or more of the following methods: depositions upon oral examination or written questions; written interrogatories; production of documents or public records as defined by KRS 61.870; and requests for admissions. Discovery may be conducted in accordance with the rules of civil procedures.*"; and

On page 39, line 19, by inserting before the word "not", the words, "*order immediate reinstatement of*"; and

On page 39, line 19, by placing an opening bracket before the comma preceding the word "not", and by striking through the words "not later than thirty (30) days after receipt of such"; and

On page 39, line 20, by striking through the words "findings and recommendations, reinstate"; and by placing a closing bracket after the word "reinstate"; and

On page 39, line 26, by inserting before the word "the", the following words: "*immediate reinstatement of*"; and

On page 39, line 26, by bracketing and striking through the word "reinstated"; and

On page 41, after line 12, by inserting the following:

"*(15) If the appointing authority appeals the final order of the board, the reinstated employe shall remain in his former position, or a position of like status or pay, until the conclusion of the appeals process, at which time the appointing authority shall take action in accordance with the court order.*"; and

On page 41, line 13, by deleting "18" and inserting in lieu thereof, "16"; and

On page 47, line 23, by deleting "19" and inserting in lieu thereof, "17"; and

On page 51, by deleting line 9 in its entirety; and

On page 51, line 24, by deleting the word "*offered*"; and

On page 51, line 25, by removing the brackets preceding and following the words "considered for", and by removing the strikethrough the words "considered for"; and

On page 51, line 26, by deleting the word "*are*", and by removing the brackets preceding and following the word "were", and by removing the strikethrough the word "were,"; and

On page 52, line 6, by deleting "20" and inserting in lieu thereof, "18"; and

On page 54, line 7, by deleting "21" and by inserting in lieu thereof, "19"; and

On page 56, line 21, by deleting "22" and by inserting in lieu thereof, "20"; and

On page 57, line 19, by deleting "23", and by inserting in lieu thereof, "21"; and

On page 58, line 4, by deleting "24" and by inserting in lieu thereof "22"; and

On page 58, line 21, by deleting "25" and by inserting in lieu thereof, "23"; and

On page 60, line 5, by deleting "26" and by inserting in lieu thereof, "24"; and

On page 62, line 13, by deleting "27" and by inserting in lieu thereof, "25"; and

On page 65, line 19, by deleting the word "*examinations*" and inserting in lieu thereof the word "*scores*"; and

On page 66, line 5, by deleting "28" and by inserting in lieu thereof, "26"; and

On page 69, line 8, by deleting "29" and by inserting in lieu thereof, "27"; and

On page 69, line 16, by deleting "30" and by inserting in lieu thereof, "28".

The Committee on Judiciary-Criminal reported **SB 123** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 123, AN ACT relating to television programming decency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 531.010 is amended to read as follows:

As used in this chapter:

(1) "Contemporary community standards" means those current standards in the vicinage where a violation alleged under this chapter has occurred or is occurring.

(2) "Distribute" means to transfer possession of, whether with or without consideration.

(3)[~~(2)~~] "Matter" means any book, magazine, newspaper, or other printed or written material or any picture, drawing, photograph, *telecast,* motion picture, or other pictorial representation or any statue or other figure, or any recording transcription or mechanical, chemical or electrical reproduction or any other articles, equipment, machines, or materials.

(4)[~~(3)~~] "Obscene" means:

(a) To the average person, applying contemporary community standards, the predominant appeal of the matter, taken as a whole, is to prurient interest in sexual conduct; and

(b) The matter depicts or describes the sexual conduct in a patently offensive way; and

(c) The matter, taken as a whole, lacks serious literary, artistic, political, or scientific value.

(5)[~~(4)~~] "Sexual conduct" means acts of masturbation, homosexuality, lesbianism, beastiality, sexual intercourse, or deviant sexual intercourse; or physical contact with the genitals, flagellation, or excretion for the purpose of sexual stimulation or gratification.

Section 2. KRS 531.060 is amended to read as follows:

(1) A person is guilty of promoting sale of obscenity when he knowingly, as a condition to a sale, allocation, consignment, or delivery for resale of any *telecast,* paper, magazine, book, periodical, publication or other merchandise, requires that the purchaser or consignee receive any matter reasonably believed by the purchaser or consignee to be obscene, or he denies or threatens to deny a franchise, revokes or threatens to revoke, or imposes any penalty, financial or otherwise, by reason of the failure of any person to accept such matter, or by reason of the return of such matter.

(2) Promoting sale of obscenity is a Class B misdemeanor for the first offense, a Class A misdemeanor for the second offense; and a Class D felony for each subsequent offense.

SECTION 3. A NEW SECTION OF KRS CHAPTER 436 IS CREATED TO READ AS FOLLOWS:

(1) When a person is convicted of or pleads guilty to a violation of KRS 531.020, 531.050, or 531.060 the county or Commonwealth's attorney shall seek and the court shall grant a permanent injunction enjoining the person from further violation of the section.

(2) Any person who violates the provisions of the injunction issued in subsection (1) of this section shall be deemed in contempt of court.

(3) The penalty for contempt in such cases shall be a fine of not more than five thousand dollars ($5,000) for a first offense and not more than ten thousand dollars ($10,000) for each subsequent offense.

(4) In addition a person in contempt of an injunction authorized hereunder shall be liable for the costs of prosecution.

(5) Remedies contained herein shall be construed as ancillary and supplementary to those in KRS Chapter 531.

The Speaker ruled that the Committee on Judiciary-Criminal had met during the House session, which is not in accordance with the rules, therefore the Committee Report on **SB 123** would not be accepted.

Motions, Petitions, and Communications

A Conference Committee Report on **SB 20** was filed requesting a Free Conference Committee.

Representative Moore moved the adoption of the Legislative Citation No. 130. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Clay County Boys' Basketball Team and your fine coach, Bobby Keith, championship winners of the 49th District and the 13th Regional Basketball Tournaments . Your excellent season record of 23-3 took your team to the "Sweet Sixteen" State Tournament this year, which reflects hard work, school loyalty, competitive spirit and a positive team effort.

This prestigious body applauds you for your fine accomplishments and the honor and pride that you have bestowed on your school, community and the Commonwealth of Kentucky. (Sponsored by Representative Moore)

Representative F. Smith moved the adoption of Legislative Citation No. 131. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates you, Carla

Coffey, daughter of Carl and June Coffey of Mt. Washington, Kentucky, for the prestigious honor of being the first female high school basketball player to score over 1000 points in your four year career at Bullit East High School. Your superior rating is most creditable and impressive; 15 points a game with a total of 418 for the season, highest scoring game of over 31 points which broke the single game record and 282 rebounds for the season. Preserverance, hard work, dedication and school loyalty are most evident and rewarding in helping you qualify for the 1980-81 All District Tournament Team, the 1982-83 All Regional Tournament Teams and Honorable Mention All State in 1982-83. You have brought great pride and inspiration to your school, community and the Commonwealth of Kentucky.

We salute you and wish you much success as your make a selection from your numerous college scholarship offers. (Sponsored by Representative F. Smith)

Representative P. Richardson moved that the rules be suspended to act upon a Resolution. Agreed.

Representative P. Richardson moved the adoption of the following **HR 139:**

HR 139, A RESOLUTION honoring Mrs. Lillian Jordon.
WHEREAS, Mrs. Jordon has served as a teacher in our Commonwealth's public schools for 49 years; and
WHEREAS, during these past 49 years, Mrs. Jordon has been devoted to the students she taught and the profession she represented; and
WHEREAS, throughout her entire career she remained a dynamic and forthright teacher and was always cognizant of the important role education plays in keeping our state and nation strong; and
WHEREAS, the achievements of her students were always unsurpassed each year; and
WHEREAS, her peers, students and parents remember her as a loving and demanding teacher; and
WHEREAS, her efforts and accomplishments will be long remembered and will serve as goals to be achieved by others;
NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That Lillian Jordon is hereby commended, honored and recognized for her 49 years of outstanding service to her many former students.
Section 2. That a copy of this resolution be forwarded to Mrs. Lillian Jordon and the members of the Clark County School Board by the clerk of the House of Representatives.

HR 139 was adopted by voice vote.

Representative Williams moved the adoption of Legislative Citation No. 132. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates you, Rev. James L. Streeter, on your fourth anniversary as Pastor of the Greater Faith Baptist Church of Louisville, Kentucky, on March 25, 1984. During your tenure at Greater Faith, the membership has tripled, which is exemplary of your benevolent and philanthropic spirit. Your ministering and shepherding is a witness for the most high calling of God's leaders as you encourage and reach out to your church and community.

May God's eternal goodness crown you with lasting health, happiness, and continued success. This prestigious body extends to you and your family our sincere and very best wishes. (Sponsored by Representative Williams)

Representative Richards moved that **HB 455** be withdrawn. Agreed.

Senate Message

Announcing passage of **HB 38, HB 366, HB 435, HB 473, HB 609, HB 633, HB 666, HB 686, HB 762, HB 854, HJR 58,** and **HCR 96.**

SB 56 returned with the following message: The Senate has refused to concur in the House Committee Substitute and the House Amendments Floor Amendment 4, Floor Amendment 8, Floor Amendment 10, and

Title Amendment and respectfully returns it with the request that this Honorable Body recede from the Committee Substitute and Amendments.

SB 152 returned with the following message: The Senate has refused to concur in the House Amendment to Senate Bill No. 152 and respectfully returns it with the request that this Honorable Body recede from the Amendment.

Orders of the Day (continued)

Representative LeMaster moved that the House accept the Conference Committee Report on **SB 20** which stated that the Conference Committee did not concur and requested a Free Conference. Agreed.

The Speaker appointed the same members to the Free Conference Committee on **SB 20.**

Representative LeMaster moved that the posting requirements be waived on **SB 312.** Agreed.

Representative Lundergan moved the adoption of the Legislative Citations No. 128 and 129. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Henry Clay High School Cheerleaders, Lexington, Kentucky, and your excellent sponsor Ms. Donna Jean Robinson, on your outstanding performance by capturing the title of National Cheerleader Association Large Varsity National Champions, held in Dallas, Texas on December 29, 1983. This was a grand occasion to receive this recognition for your school because it is the first time in Henry Clay's history for this honor to have been bestowed to you. Your first place award was attributed to your superfluous gymnastic stunts, jazz dancing, pyramids and partner stunts which were executed with precision, poise and spirit. This win was preceded by three other prestigious titles including the Award of Excellence and the Spirit Award, held at the University of Kentucky's Cheerleading Summer Camp on July 19, 1983; first place in the YMCA State Champions on November 19, 1983; and the YMCA State Champions on November 19, 1983. Your exceptional leadership, high standard of performance requiring the best at all times are most exemplary, productive and rewarding, not only in your support of the sports teams but by your excellent record of academic achievement while enrolled in honor classes at Henry Clay. Our praise to the parents of these team members for their constant positive, supportive measures which are vital to the success of the program. Multiple awards and honors are a great tribute to you and emblemative of excellent team effort and personal sacrifice. We extend best wishes to Sara Baylor, Cathy Jackson, Angel Diamond, Mary Thompson, Julie Oggar, Dee Dee Scott, Michelle Mullins, Michele Sason, Teresa Hargett, Christy Jones, Meg Boyd, and Missy Gibson, on your fine display of leadership and enthusiastic school spirit.(Sponsored by Representative Lundergan)

The House of Representatives of the Commonwealth of Kentucky hereby applauds Miss Mary Thompson for winning the prestigious title of All American Cheerleader at the University of Kentucky Cheerleading Summer Camp, held in Lexington, Kentucky on July 19, 1983. Mr. and Mrs. Way Thompson, Sr., of Lexington, Kentucky are the proud parents of Mary. Your outstanding performance, poise and appearance afforded you this superior rating, as you won this coveted title from 600 competing cheerleaders. Your outstanding scholastic record is exemplary as an honor student at Henry Clay High School. We salute you for the great distinction and honor that you have brought to your school, community and the Commonwealth of Kentucky. (Sponsored by Representative Lungergan)

Representative Hancock moved that **HB 373** be withdrawn. Agreed.

Representative McNutt moved that she be recorded as voting "abstain" on **HB 932.** Agreed.

Representative Gray moved that he be recorded as voting "nay" on **HB 474.** Agreed.

Representative Worthington moved that he be recorded as voting "yea" on **HB 474.** Agreed.

Representative Cline moved that he be recorded as voting "nay" on **HB 677.** Agreed.

Representative Dunn moved that he be recorded as voting "yea" on **HB 406.** Agreed.

Representative Williams moved that he be recorded as voting "yea" on **HB 406.** Agreed.

Representative McElroy moved that he be recorded as voting "nay" on **HB 610.** Agreed.

Representative Burnette moved that he be recorded as voting "nay" on **HB 610.** Agreed.

Representative Kenton moved that she be recorded as voting "yea" on **HB 941.** Agreed.

Representative Reinhardt moved that he be recorded as voting "nay" on **HB 786.** Agreed.

Representative Moore moved that he be recorded as voting "nay" on **HB 474.** Agreed.

Representative F. Smith moved that he be recorded as voting "nay" on **HB 932.** Agreed.

Representative L. Clark moved that he be recorded as voting "nay" on **HB 932.** Agreed.

Representative Yates moved that he be recorded as voting "nay" on **HB 932.** Agreed.

Representative Stumbo moved that he be recorded as voting "nay" on **HB 474.** Agreed.

Representative Farrow moved that he be recorded as voting "yea" on **HB 601.** Agreed.

Representative Farrow moved that he be recorded as voting "yea" on **HB 880.** Agreed.

Representative Farrow moved that he be recorded as voting "yea" on **SB 46.** Agreed.

Representative Farrow moved that he be recorded as voting "nay" on **HB 709.** Agreed.

Representative Cowan moved that he be recorded as voting "yea" on **HB 87.** Agreed.

The following meetings were announced:

Business Organizations and Professions: Monday, noon.

State Government: Monday, noon.

Appropriations and Revenue: Monday, noon.

Representative Cline moved that the rules be suspended to allow all properly filed co-sponsor requests to be accepted. Agreed.

The following members have filed requests to have their names added as co-sponsors of Bills and Resolutions: Representative Blevins, **HB 539;** Representative Cline, **HB 787;** Representative Lefevers, **HB 97, HB 294, HB 554;** Representative Lile, **HB 660;** Representative Seum, **HB 87, HB 250.**

The following members have filed requests to have their names withdrawn as co-sponsors of Bills and Resolutions: Representative Holbrook, **HB 455.**

The following Floor Amendments were filed to Bills and Resolutions:

Floor Amendment No. 3 to **SB 26,** by Representative Moberly:

Amend printed copy of Amendment No. 2 to **SB 26** on page 6, line 6, by deleting "*1985-86*" and inserting "*1986-87*" in lieu thereof;

Page 16, lines 8 and 9, by deleting the following:

"*, except where compliance is not practical*";

Page 17, line 1, by deleting "*in a class*" and inserting the following in lieu thereof:

"*for every academic course requirement*"

Page 17, line 13, after the word "*year.*" add the following:

"A district shall not receive exemptions for more classes than enroll twenty percent (20%) of the pupils in any one grade and shall not receive an exemption for the same class more than once during a five (5) year period."

Floor Amendment No. 2 to **SB 41**, by Representative Richards:

Amend printed copy of **SB 41** on page 2, line 17, by inserting after the word "repealed" the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) Utilization of existing highwalls by local governments developing solid waste disposal facilities is an economically beneficial action serving the public good. Local governments may under the following conditions be exempt from eliminating the highwalls on condition that:

(a) The land on which the highwall lies is owned by the local government unit;

(b) A sanitary landfill permit exists for the subject area or a resolution has been adopted by the local government unit that the site is to be used for a solid waste disposal site prior to any other principal;

(c) Prior to the sale of the property, when a solid waste permit on the subject area has not been obtained the highwall is eliminated pursuant to state regulations;

(d) A ground water monitoring plan approved by the cabinet for natural resources and environmental protection is in effect; or the site by virtue of particular hydrogeological conditions that minimize the potential of ground water contamination by landfill leachate is exempt from ground water monitoring requirements;

(e) All other state requirements for reclamation are enforced;

(f) A minimum of ten (10) feet of inorganic silt or clay with medium or low plasticity at ninety-five percent (95%) standard proctor compaction is placed between the highwall and the solid waste fill cells at the time of active landfilling and such a requirement is a condition of the landfill permit at the time it is granted; and

(g) Minimum three to one (3:1) slopes for final contours are a condition of the landfill permit.

(2) These provisions are to apply to all applications for solid waste permits pending as of the day of the enactment of this Act, as well as for those permits to be submitted, and to all highwalls on property owned by governmental units."

Floor Amendment No. 1 to **SB 71**, by Representative Kenton:

Amend printed copy of **SB 71** on page 3, line 9, after "*statute.*" insert "*One (1) board member shall be elected from each of the seven (7) supreme court districts and six (6) members shall be appointed at large by the governor,*"; delete the remainder of the line.

And on page 3, line 10, delete line 10 in its entirety.

And on page 3, line 11, delete "*six (6) members at large*"

And on page 3, line 19, after "*thirteen (13)*" delete "*appointments,*" and insert in lieu thereof:

"*terms on the state board of education,*"

And on page 3, line 23, after "*terms*" delete the remainder of the line and insert in lieu thereof:

"*. The General Assembly shall designate by general law which of the original terms shall be elective and which shall be appointive, in compliance with this section.*"

And on page 3, line 24 delete "*governor.*"

And on page 3, line 25 after "*shall be*" insert "*elected or*".

Floor Title Amendment to **SB 83**, by Representative Van Horn:

Amend printed copy of **SB 83**, on page 1, Title, by deleting the word "hunting" and inserting in lieu thereof the word "animals".

Floor Amendment No. 1 to **SB 83**, by Representative Van Horn:

Amend printed copy of **SB 83**:

"SECTION 3. A NEW SECTION OF KRS CHAPTER 2 IS CREATED TO READ AS FOLLOWS:

The walker coon hound is named and designated as the Kentucky state dog.

SECTION 4. A NEW SECTION OF KRS CHAPTER 2 IS CREATED TO READ AS FOLLOWS:

Compliance with this Act shall not affect existing supplies of state promotional materials.

SECTION 5. A NEW SECTION OF KRS CHAPTER 2 IS CREATED TO READ AS FOLLOWS:

The state coon hound shall be officially referred to as "Hustler"."

Floor Amendment No. 2 to **SB 105**, by Representative Hancock:

Amend printed copy of **SB 105** on page 2, after line 2, by adding the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO READ AS FOLLOWS:

(1) No person shall advertise to provide occupational or professional services for which a license is required by state law, unless the person is duly licensed and operating in accordance with the respective licensing law.

Section 3. KRS 367.990 is amended to read as follows:

(1) Any person who violates the terms of a temporary or permanent injunction issued under KRS 367.190 shall forfeit and pay to the Commonwealth a civil penalty of not more than twenty-five thousand dollars ($25,000) per violation. For the purposes of this section, the circuit court issuing an injunction shall retain jurisdiction, and the cause shall be continued, and in such cases the attorney general acting in the name of the Commonwealth may petition for recovery of civil penalties.

(2) In any action brought under KRS 367.190, if the court finds that a person is wilfully using or has wilfully used a method, act or practice declared unlawful by KRS 367.170, the attorney general, upon petition to the court, may recover, on behalf of the Commonwealth, a civil penalty of not more than two thousand dollars ($2,000) per violation.

(3) Any person with actual notice that an investigation has begun or is about to begin pursuant to KRS 367.240 and 367.250 who intentionally conceals, alters, destroys or falsifies documentary material is subject to a fine of not less than one hundred dollars ($100) nor more than five thousand dollars ($5,000).

(4) Any person who, in response to a subpoena or demand as provided in KRS 367.240 or 367.250, intentionally falsifies or withholds documents, records, or pertinent materials that are not privileged, shall be subject to a fine as provided in subsection (3) of this section.

(5) The circuit court of any county in which any plan described in KRS 367.350 is proposed, operated or promoted may grant an injunction without bond, upon complaint filed by the attorney general to enjoin the further operation thereof, and the attorney general may ask for and the court may assess civil penalties against the defendant in an amount not to exceed the sum of five thousand dollars ($5,000) which shall be for the benefit of the Commonwealth of Kentucky.

(6) Any person, business, or corporation who knowingly violates the provisions of KRS 367.540 shall be fined not less than fifty dollars ($50.00) and not more than five hundred dollars ($500) for each offense. It shall be considered a separate offense each time a magazine is mailed into the state; but it shall be considered only one (1) offense for any quantity of the same issue of a magazine mailed into Kentucky.

(7) Any solicitor who violates the provisions of KRS 367.513 or 367.515 shall be fined not less than fifty dollars ($50.00) nor more than five hundred dollars ($500) or confined in the county jail for not less than one (1) month nor more than six (6) months, or both, for each offense.

(8) In addition to the penalties contained in this section, the attorney general, upon petition to the court, may recover, on behalf of the Commonwealth a civil penalty of not more than the greater of five thousand dollars ($5,000) or two hundred dollars ($200) per day for each and every violation of KRS 367.175.

(9) (a) Any person who violates the terms of a temporary or permanent injunction issued under KRS 367.665 shall forfeit and pay to the Commonwealth a penalty of not more than five thousand dollars ($5,000) per violation. For the purposes of this section, the circuit court issuing an injunction shall retain jurisdiction, and the cause shall be continued, and in such cases the attorney general acting in the name of the Commonwealth may petition for recovery of civil penalties.

(b) The attorney general may, upon petition to a court having jurisdiction under KRS 367.190, recover on behalf of the Commonwealth from any person found to have wilfully committed an act declared unlawful by KRS 367.655 a penalty of not more than two thousand dollars ($2,000) per violation.

(10) Any dealer who fails to provide a statement under KRS 367.760 or a notice under KRS 367.765 shall be liable for a penalty of one hundred dollars ($100) per violation to be collected in the name of the Commonwealth upon action of the attorney general.

(11) Any dealer or manufacturer who falsifies a statement under KRS 367.760 shall be liable for a penalty not exceeding one thousand dollars ($1,000) to be collected in the name of the Commonwealth upon action by the attorney general.

(12) Any person who violates KRS 367.805, 367.809(2), 367.811 or 367.813(1) shall be guilty of a Class C felony.

(13) Either the attorney general or the appropriate commonwealth attorney shall have authority to prosecute violations of KRS 367.801 to 367.819.

(14) A violation of KRS 367.474 to 367.478 and 367.482 is a Class C felony. Either the attorney general or the appropriate commonwealth attorney shall have authority to prosecute violators of KRS 367.474 to 367.478 and 367.482.

(15) Any violation of KRS 367.310 *or Section 2 of this Act* shall be subject to a fine of not more than two hundred dollars ($200) for each offense.

(16) Any person, partnership or corporation upon conviction of violation of the provisions of KRS 367.850 shall be fined not less than twenty-five dollars ($25.00) or more than five hundred dollars ($500) or confined in the county jail for not more than six (6) months, or both such fine and imprisonment.

(17) Any dealer in motor vehicles or any other person who fraudulently changes, sets back, disconnects, fails to connect, or causes to be changed, set back or disconnected, the speedometer or odometer of any motor vehicle, to effect the sale of the motor vehicle shall be fined five thousand dollars ($5,000) per violation.

(18) Any person who negotiates a contract of membership on behalf of a club without having previously fulfilled the bonding requirement of KRS 367.403 shall be guilty of a Class D felony.

(19) Any person or corporation who operates or attempts to operate a health spa in violation of KRS 367.905(1) shall be guilty of a Class A misdemeanor.

Floor Title Amendment to **SB 124,** by Representative Robinson:

Amend printed copy of **SB 124** Title on page 1, by amending the title to read as follows:

"AN ACT relating to claims and declaring an emergency."

Floor Amendment No. 1 to **SB 124,** by Representative Robinson:

Amend printed copy of **SB 124** on page 12, line 11, by adding the following language:

"SECTION 5. A NEW SECTION OF KRS 205.510 to 205.590 IS CREATED TO READ AS FOLLOWS:

(1) The cabinet for human resources shall institute an experimental program of nominal copayments and similar charges to be paid by medical assistance recipients, their spouses and parents within the limitations of federal law and regulation.

(2) In no instance shall copayments and similar charges be imposed upon the following services:

(a) All services provided to children under eighteen (18) years of age;

(b) All services furnished to pregnant women;

(c) Emergency services including inpatient or outpatient services necessary to prevent the death or serious impairment of the individual; and

(d) Other services or recipient groups excluded from cost sharing by federal law or regulation.

(3) Prepaid health plan programs such as health maintenance organizations and health insuring organizations under contract with the cabinet for human resources to provide services to medical assistance recipients shall not be subject to the requirements of this section.

(4) Standard nominal copayments not to exceed two dollars ($2) per service shall be collected by the provider and charged for at least the following services:

(a) Physicians' services ($1.00 per visit);

(b) Inpatient hospital services ($2.00 per visit);

(c) Outpatient hospital services ($1.00 per visit);

(d) Primary care center services ($1.00 per visit).

(5) Standard copayments not to exceed four dollars ($4.00) shall be charged for non-emergency services delivered in a hospital emergency room. The secretary for human resources shall apply to appropriate federal authorities for waiver of the requirement that cost sharing charges must be nominal for non-emergency services delivered in a hospital emergency room.

(6) No provider under the medical assistance program shall deny services due to the inability of a recipient to make the required copayment. This provision shall not, however, excuse the recipient from liability for payment of the charge.

(7) The cabinet shall evaluate the effects of the experimental copayment program on medical assistance recipients, including cost savings to the medical assistance program and health status effects, and report its findings to the 1986 General Assembly.

(8) Section 5 of this Act shall be repealed effective July 15, 1986 unless re-enacted by the 1986 General Assembly."

Floor Amendment No. 1 to **SB 163,** by Representative Pearman:

Amend printed copy of **SB 163** on page 1, line 12, by inserting after the word "program" the following:

"Section 2. KRS 211.180 is amended to read as follows:

The cabinet shall enforce the rules and regulations adopted by the secretary of the cabinet for human resources for the regulation and control of the matters set out below and shall formulate, promote, establish and execute policies, plans and programs relating to all matters of public health, including but not limited to the following matters:

(1) Detection, prevention, and control of communicable diseases, chronic and degenerative diseases, dental diseases and abnormalities, occupational diseases and health hazards peculiar to industry, home accidents and health hazards, animal diseases which are transmissible to man, and such other diseases and health hazards as may be controlled;

(2) The control of insects, rodents and other vectors of disease; the safe handling of food and food products; the safety of cosmetics; the control of narcotics, barbiturates and other drugs as provided by law; *the purification of water for public and semipublic use; the proper construction and operation of public water purification plants and distribution systems and swimming pools;* the sanitation of schools, industrial establishments and other public and semipublic buildings; the sanitation of state and county fairs and other similar public gatherings; the sanitation of public and semipublic recreational areas; the sanitation of public rest rooms, trailer courts, hotels, tourist courts, and other establishments furnishing public sleeping accommodations; the review, approval or disapproval of plans for construction, modification or extension of equipment related to food-handling in food-handling establishments, *water purification and distribution systems and swimming pools*; the licensure of hospitals; and the control of such other factors, not assigned by law to another agency, as may be necessary to insure a safe and sanitary environment;

(3) The construction, installation and alteration of any on-site sewage disposal system except for a system with a surface discharge;

(4) Protection and improvement of the health of expectant mothers, infants, preschool and school age children;

(5) The practice of midwifery, including the issuance of permits to and supervision of women who practice midwifery;

(6) Protection and improvement of the health of the people through better nutrition;

(7) The secretary shall have authority to establish by regulation a schedule of reasonable fees, not to exceed twenty dollars ($20.00) per inspector hour plus travel costs pursuant to state regulations for travel reimbursement, to cover the costs of inspections of manufacturers, retailers and distributors of consumer products as defined in the Federal Consumer Product Safety Act (Title 15 U.S.C. Sec. 2051 et seq.; 86 Stat. 1207 et seq. or amendments thereto), and of youth camps for the purpose of determining compliance with the provisions of this section and the regulations adopted by the secretary pursuant thereto. Fees collected by the secretary shall be deposited in the state treasury and credited to a revolving fund account for the purpose of carrying out the provisions of this section. The balance of said account shall lapse to the general fund at the end of each biennium.

Section 3. KRS 224.032 is amended to read as follows:

The natural resources and environmental protection cabinet shall enforce the rules and regulations adopted by the secretary of the natural resources and environmental protection cabinet for the regulation and control of the matters set out below and shall formulate, promote, establish and execute policies, plans and programs relating to natural resources and environmental protection, including but not limited to the following matters:

(1) The proper disposal of waste; *and*

(2) [~~The purification of water for public and semi-public use;~~

~~(3) The proper construction and operation of public water distribution systems and water treatment systems in public water purification plants and swimming pools;~~

~~(4) The review, approval or disapproval of plans for construction, modification or extension of~~

~~water purification and distribution systems and water treatment systems in swimming pools; and~~

~~(5)~~] The certification of [~~water and~~] sewage plant operators.

Section 4. KRS 223.160 is amended to read as follows:

It is the intent of KRS 223.160 to 223.220 and 223.991 that every operator in responsible charge of a water treatment plant or water distribution system be required to hold a valid and effective certificate of competency issued by the *human resources* [~~natural resources and environmental protection~~] cabinet in a class equal to or higher than the class of the particular treatment plant or distribution system where he is currently employed in order to protect the public health. Operators other than those in responsible charge of such facilities shall also be eligible to apply for certification.

Section 5. KRS 223.170 is amended to read as follows:

The *human resources* [~~natural resources and environmental protection~~] cabinet shall certify persons as to their qualifications to supervise successfully the operation of water treatment plants or water distribution systems after considering the recommendations of a board of certification which shall be appointed by the secretary *for human resources* [~~of the natural resources and environmental protection cabinet~~] or his designee. The board shall consist of the following: two (2) members who are currently employed as waterworks operators holding valid certificates; one (1) member employed by a municipality who holds the position of either city manager, city engineer, director of public works, or the equivalent thereof; one (1) member who is a faculty member of a college, university, or professional school whose major field is related to water supply; and one (1) ex officio member representing the *human resources* [~~natural resources and environmental protection~~] cabinet. Board members shall serve for a four-year term or until their successors are appointed and qualify. The *human resources* [~~natural resources and environmental protection~~] cabinet representative shall serve as executive secretary and treasurer of the board and be responsible for maintaining records. The members of the board shall serve without compensation, but may be reimbursed for all actual and necessary expenses incurred while discharging their official duties.

Section 6. KRS 223.180 is amended to read as follows:

The *human resources* [~~natural resources and environmental protection~~] cabinet shall classify all water treatment plants and water distribution systems with due regard to size, type, physical conditions affecting such treatment plants and distribution systems, and according to the skill, knowledge and experience that the operator must have to supervise successfully the operation of such water treatment plants and water distribution systems so as to protect the public health.

Section 7. KRS 223.190 is amended to read as follows:

All water treatment plants and water distribution systems, whether publicly or privately owned, shall be under the supervision of an operator whose competency is certified to by the *human resources* [~~natural resources and environmental protection~~] cabinet in a grade corresponding to the classification of the water supply system to be supervised. All operators holding valid and effective certificates issued under existing regulations of the *natural resources and environmental protection cabinet on the effective date of this Act* [~~state board of health on June 16, 1966~~] may, within the discretion of the *human resources* [~~natural resources and environmental protection~~] cabinet, be issued new certificates without examination for any appropriate new classifications that may be established by the regulations adopted hereunder or such certificates may be continued in effect.

Section 8. KRS 223.200 is amended to read as follows:

The secretary *for human resources* [~~of the natural resources and environmental protection cabinet~~], with the advice of the board of certification, shall adopt rules and regulations as are reasonably necessary to carry out the intent of KRS 223.160 to 223.220 and 223.991. The rules and regulations may include, but are not limited to, provisions establishing standards for classification of water treatment plants and water distribution systems, provisions establishing qualifications of applicants and procedures for examination of candidates, membership, and duties of the board of certification, provisions relating to the renewal, cancellation or revocation of certificates, including the specifications of the grounds therefor, and such other provisions as are necessary for the administration of KRS 223.160 to 223.220 and 223.991.

Section 9. KRS 223.210 is amended to read as follows:

It shall be unlawful for any person, firm, or corporation (municipal or private), to operate a water treatment plant or water distribution system unless the competency of the operator who is in direct responsible charge is duly certified to by the *human resources* [~~natural resources and environmental protection~~] cabinet under the provisions of KRS 223.160 to 223.220 and 223.991. It shall be unlawful for any person to perform the duties of an operator, in direct responsible charge, without being duly certified under the provisions of KRS 223.160 to 223.220 and 223.991. The *human resources* [~~natural resources and environmental protection~~] cabinet may, however, issue provisional certificates for emergency situations.

Section 10. KRS 223.220 is amended to read as follows:

The *human resources* [~~natural resources and environmental protection~~] cabinet is authorized to fix a reasonable schedule of fees and charges by regulation to be paid by applicants for examinations, certificates, and renewal certificates. All such fees and charges and other moneys collected by the *human resources* [~~natural resources and environmental protection~~] cabinet under the provisions of KRS 223.160 to 223.220 and 223.991 or the rules and regulations of the *cabinet* [~~department~~] shall be paid into the state treasury and credited to a trust and agency fund to be used by the *human resources* [~~natural resources and environmental protection~~] cabinet in carrying out the provisions of KRS 223.160 to 223.220 and 223.991.

SECTION 11. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO READ AS FOLLOWS:

(1) All regulations in effect on the effective date of this Act relating to public and semipublic water supplies, water purification and distribution systems, certification of plant operators, and swimming pools shall remain in full force and effect until otherwise adopted or amended by the secretary of the human resources cabinet.

(2) All functions, personnel, funds, equipment, facilities and records necessary to carry out the provisions of this Act are transferred from the natural resources and environmental protection cabinet to the human resources cabinet.

Section 12. KRS 223.991 is amended to read as follows:

Any person, firm or corporation (municipal or private) who violates any provisions of KRS 223.160 to 223.220 or the rules and regulations adopted thereunder shall be liable to a civil penalty not to exceed the sum of one thousand dollars ($1,000) for said violation and an additional civil penalty not to exceed one thousand dollars ($1,000) for each day of operation in violation of KRS 223.160 to 223.220 or of the rules and regulations adopted thereunder. In addition, the person, firm or corporation may be enjoined [~~in the manner set forth in KRS Chapter 224~~] from continuing such violations.

Floor Amendment No. 4 to **SB 255**, by Representative Barrows:

Amend printed copy of **SB 255** on page 1, by deleting the provisions of the amendment in their entirety.

Floor Title Amendment to **SB 300**, by Representative Moberly:

Amend printed copy of **SB 300** on page 1, line "Title" by amending the title to read as follows: "AN ACT relating to natural resources."

Floor Amendment No. 1 to **SB 300**, by Representative Moberly:

Amend printed copy of **SB 300** on page 15, line 26, by inserting after the word "chapter" the following section:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 353 IS CREATED TO READ AS FOLLOWS:

The department of mines and minerals shall not issue a permit under KRS 353.570 to drill or deepen a well until the applicant submits to the department a proposed spill control plan and the department approves same. The approved plan shall be made a condition of the permit and shall be implemented by the permittee prior to commencement of the drilling activity. Such plan shall include appropriate containment or diversionary structures or equipment sufficient to prevent discharged oil from reaching any waters of the

Commonwealth, as that term is defined in KRS Chapter 224. One (1) or more of the following preventive systems or its equivalent shall be used as a minimum:

(1) Dikes, berms or retaining walls sufficiently impervious to contain spilled oil;

(2) Culverting, gutters, or other drainage systems;

(3) Spill diversion ponds;

(4) Retention ponds;

(5) Blowout preventers; or

(6) Such combination of these methods as the department deems necessary to assure that no discharged oil will enter any waters of the Commonwealth in the event of a blowout or other oil-production or storage related failure."

Floor Amendment No. 2 to **SB 300,** by Representative Moberly:

Amend printed copy of **SB 300** on page 15, line 26, by inserting after the word "chapter" the following section:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) Whenever an environmental emergency, as defined in KRS 224.877(1)(d), is caused by an oil or gas operation, which shall include but not be limited to pipelines and shorage facilities, any costs incurred by state agencies, county and city governments, special districts, and urban-county governments shall be recovered by the cabinet and the attorney general's office. Costs shall include, but not be limited to, damages, operational expenses, overhead, and any other expense attributable to the emergency.

(2) The cabinet shall commence any effort to collect the costs. In this effort the cabinet shall act as the coordinating agency for all state agencies, county and city governments, special districts and urban-county governments, which have claims based on the environmental emergency. The cabinet is authorized to investigate all claims and to seek compensation on behalf of all state agencies, county and city governments, special districts and urban-county governments. Should the cabinet be unsuccessful in obtaining payment after exhausting non-judicial remedies, the cabinet shall then notify the attorney general's office of the need for litigating the claims.

(3) The attorney general shall then continue the attempt to obtain payment for the claims by filing suit in the court with proper jurisdiction. At the time of filing the suit the attorney general's office shall become the coordinating office for all state agencies, county and city governments, special districts and urban-county governments, which have made claims. The cabinet shall continue its participation by providing technical assistance and investigative resources. The attorney general's office is authorized to seek, on behalf of all claimants, full reimbursement of all claims. The attorney general's office shall be entitled to reimbursement of court costs and to receive reasonable attorney's fees."

Floor Amendment No. 1 to **SB 302,** by Representative Yates:

Amend printed copy of **SB 302** on page 1, after line 10, by adding the following language:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

No person shall be liable in civil damages for any act or omission that results in a person being born alive instead of being aborted."

Floor Amendment No. 2 to **SB 302,** by Representative Johnson:

Amend printed copy of **SB 302** on page 1, after line 10, by inserting the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 436 IS CREATED TO READ AS

FOLLOWS:

As used in Sections 2 to 7 of this Act:

(1) "Contemporary community standards" means those current standards in the vicinage where a nuisance alleged under Sections 2 to 7 of this Act has occurred or is occurring.

(2) "Distribute" means to send, transmit, retransmit, telecast, disseminate, or cablecast by any means, including by wire or satellite, or to provide material to send, transmit, retransmit, telecast, disseminate, or cablecast.

(3) "Indecent material" means a visual or verbal depiction, display, representation, dissemination, or verbal description of:

(a) A human sexual or excretory organ or function; or

(b) A state of undress so as to expose the human male or female genitals, pubic area, or buttocks, with less than a fully opaque covering, or showing of the female breast with less than a fully opaque covering of any portion below the top of the nipple; or

(c) An ultimate sexual act, normal or perverted, actual or simulated; or

(d) Masturbation

which the average person applying contemporary community standards for cable television or pay-for-viewing television programming would find is presented in a patently offensive way for the time, place, manner and context in which the material is presented.

(4) "Knowingly" means an awareness, whether actual or constructive, of the character of the material involved. A person has constructive knowledge if a reasonable inspection or observation under the circumstances would have disclosed the nature of the material involved and if a failure to inspect or observe is either for the purpose of avoiding the disclosure or is negligent.

SECTION 3. A NEW SECTION OF KRS CHAPTER 436 IS CREATED TO READ AS FOLLOWS:

A person shall be deemed to have maintained a nuisance when as a continuing course of conduct, he knowingly distributes indecent material within this state over any cable television system or pay-for-viewing television programming.

SECTION 4. A NEW SECTION OF KRS CHAPTER 436 IS CREATED TO READ AS FOLLOWS:

(1) Enforcement of Sections 2 to 7 of this Act shall be by civil process only and subject only to the civil sanctions contained herein.

(2) An action under Sections 2 to 7 of this Act may be brought by the attorney general or by any county or city attorney in any circuit court where the nuisance alleged has occurred or is occurring and shall be subject to the Rules of Civil Procedure.

(3) A person found to have maintained a nuisance shall be subject to a fine in an amount not greater than five thousand dollars ($5,000), plus costs and reasonable attorney's fees.

(4) If a person has previously been found to have maintained a nuisance under Sections 2 to 7 of this Act, he shall be subject to a fine in an amount not greater than twenty-five thousand dollars ($25,000), plus costs and reasonable attorney's fees.

SECTION 5. A NEW SECTION OF KRS CHAPTER 436 IS CREATED TO READ AS FOLLOWS:

Sections 2 to 7 of this Act shall apply solely to cable television systems or pay-for-viewing television *programming and shall not apply to over-the-air broadcasting by a radio or television station located within the state and licensed by the federal communications commission pursuant to part 73, subpart E, of the FCC rules and regulations (47 CFR 73.601, et seq.). Nothing herein, however, shall preclude the application of Sections 2 to 7 of this Act to program material originally broadcast or otherwise distributed by broadcast facilities located within or without the state and thereafter distributed by a cable television system or pay-for-viewing television programming located within the state.*

SECTION 6. A NEW SECTION OF KRS CHAPTER 436 IS CREATED TO READ AS FOLLOWS:

(1) It is an affirmative defense to an action under Sections 2 to 7 of this Act that the distribution of indecent material was restricted to institutions or persons having scientific, education, governmental, or other similar justification for distributing indecent material.

(2) It is not a defense to an action under Sections 2 to 7 of this Act that the person was an employe, or otherwise was required to violate any provision of Sections 2 to 7 of this Act incident to his employment.

(3) No party to an action under Sections 2 to 7 of this Act shall be required to introduce expert witness testimony as to whether the material is or is not indecent, or as to any element of the definition of indecency, including contemporary community standards.

SECTION 7. A NEW SECTION OF KRS CHAPTER 436 IS CREATED TO READ AS FOLLOWS:

Sections 2 to 7 of this Act does not preclude the following:

(1) The right of cities, counties, or other political subdivisions from further regulating the distribution of indecent material over any cable television system or pay-for-viewing television programming; or

(2) The application of other laws of this state regulating the distribution of indecent material over any cable television system or pay-for-viewing television programming.

SECTION 8. A NEW SECTION OF KRS CHAPTER 436 IS CREATED TO READ AS FOLLOWS:

Sections 2 to 7 of this Act shall be known and may be cited as the "Cable Television Programming Decency Act." Sections 2 to 7 of this Act shall apply to cable television systems and pay-for-viewing television programming.

Floor Amendment No. 3 to **SB 302**, by Representative Johnson:

Amend printed copy of **SB 302** on page 1, by inserting after line 10, the following:

"Section 2. KRS 452.480 is amended to read as follows:

An action which is not required by the foregoing provisions of KRS 452.400 to 452.475 to be brought in some other county may be brought in any county in which the defendant, or in which one of several defendants, who may be properly joined as such in the action, resides or is summoned. *In those instances when the jurisdictional amount involved requires the action to be heard in district court, the action may also be brought in the county where goods were purchased or services performed which give rise to the actions.*

Floor Amendment No. 1 to **SB 314**, by Representative Hancock:

Amend printed copy of **SB 314** on page 3, after line 9, by adding the following:

Section 2. KRS 138.662 is amended to read as follows:

(1) City and suburban bus companies and taxicab companies operating under a certificate of convenience and necessity issued pursuant to KRS Chapter 281, *holders of a nonprofit bus certificate as provided by KRS 281.619, and senior citizen programs which utilize title III funds of the older americans act in the provision of transportation services* shall be entitled to a refund of seven-ninths of the amount of KRS

Chapter 138 taxes paid on motor fuels used in their regularly scheduled operations in Kentucky.

(2) No person shall be entitled to a refund hereunder unless he shall have first filed with the department of revenue a bond issued by a surety company authorized to do business in Kentucky in an amount of not less than one thousand dollars ($1,000) nor more than five thousand dollars ($5,000) to be determined by the department of revenue, conditioned upon faithful compliance with this section and upon the payment to the Commonwealth of any refunds to which he was not entitled.

(3) Applications for refund shall on or before the last day of each month following the quarter, September 30, December 31, March 31, and June 30, be made to the department of revenue on forms and in the manner prescribed by it for the refund of tax paid on motor fuel used by buses or taxicabs during the quarter; except that a taxicab company may file an application within ninety (90) days after the close of the fiscal year in which the purchases were made. Each application for a refund shall show the number of gallons of motor fuel purchased during the quarter for use in buses or taxicabs; the date and quantity of each purchase; the vendor from whom such fuel was purchased; the number of gallons on which refund is claimed; and such other information as the department of revenue may require. The application shall be made under oath. Invoices shall be attached to applications from taxicab companies.

(4) The department may require any gasoline dealer or any dealer's authorized agent to identify gasoline sold by him for taxicab use by adding thereto any chemical or substance, which shall be furnished by the department and used in the manner as prescribed by the department. The department also may require that the dealer keep a complete record of all such gasoline sold by him, which records shall give the date of each such sale, the number of gallons sold, the name of the person to whom sold, and the sale price.

(5) The department of revenue shall audit the application and make such other investigation as it deems necessary to determine whether it constitutes a proper claim. When the department of revenue is satisfied that a refund is proper it shall authorize seven-ninths of the amount of the tax paid to be refunded as other refunds are made and the amount refunded shall be deducted from current motor fuel tax receipts.

(6) When the department of revenue finds that an application for a refund contains a false or fraudulent statement or that a refund has been fraudulently obtained, the department of revenue shall refuse to grant any refunds to the person making such false or fraudulent statement or fraudulently obtaining a refund for a period of two (2) years from the date of such findings.

(7) The department of revenue may prescribe, adopt and enforce regulations relating to the administration and enforcement thereof.

(8) The refund provided herein shall be effective on motor fuel purchased July 1, 1978 and thereafter.

Floor Amendment No. 2 to **SB 314**, by Representative Little:

Amend printed copy of **SB 314**, on page 3 by adding the following language after line 9:

Section 2. KRS 132.010 is amended to read as follows:
As used in this chapter, unless the context otherwise requires:
(1) "Department" means the department of revenue.
(2) "Taxpayer" means any person, *corporation, company, partnership, association, or other legal entity* made liable by law to file a return or pay a tax.
(3) "Real property" includes all lands, *unmined minerals, oil, natural gas, and natural gas liquids* within this state and improvements thereon.
(4) "Personal property" includes every species and character of property, tangible and intangible, other than real property.
(5) "Resident" means any person who has taken up a place of abode within this state with the intention of continuing to abide in this state; any person who has had his actual or habitual place of abode in this state for the larger portion of the twelve months next preceding the date as of which an assessment is due to be made shall be deemed to have intended to become a resident of this state.
(6) "Compensating tax rate" means that rate which, rounded to the next higher one-tenth of one cent per one hundred dollars of assessed value and applied to the current year's assessment of the property subject to taxation by a taxing district, excluding new property and personal property, produces an amount of revenue approximately equal to that produced in the preceding year from real property. However, in no event shall the compensating tax rate be a rate which, when applied to the total current year assessment of all classes

of taxable property, produces an amount of revenue less than was produced in the preceding year from all classes of taxable property. For purposes of this subsection, "property subject to taxation" means the total fair cash value of all property subject to full local rates, less the total valuation exempted from taxation by the homestead exemption provision of the Constitution and the difference between the fair cash value and agricultural or horticultural value of agricultural or horticultural land.

(7) "Net assessment growth" means the difference in the total valuation of property subject to taxation by the county, city, school district or special district in the preceding year, less the total valuation exempted from taxation by the homestead exemption provision of the Constitution in the current year over that exempted in the preceding year, and the total valuation of property subject to taxation by the county, city, school district or special district for the current year.

(8) "New property" means the net difference in taxable value between real property additions and deletions to the property tax roll for the current year. "Real property additions" shall mean:

(a) Property annexed or incorporated by a municipal corporation, or any other taxing jurisdiction, however, this definition shall not apply to property acquired through the merger or consolidation of school districts, or the transfer of property from one school district to another;

(b) Property, the ownership of which has been transferred from a tax-exempt entity to a nontax-exempt entity;

(c) The value of improvements to existing nonresidential property;

(d) The value of new residential improvements to property;

(e) The value of improvements to existing residential property when the improvement increases the assessed value of the property by fifty percent (50%) or more;

(f) Property created by the subdivision of unimproved property, provided, that when such property is reclassified from farm to subdivision by the property valuation administrator the value of such property as a farm shall be a deletion from that category;

(g) Property exempt from taxation, as an inducement for industrial or business use, at the expiration of its tax exempt status;

(h) Property, the tax rate of which will change, according to the provisions of KRS 82.085, to reflect additional urban services to be provided by the taxing jurisdiction, provided, however, that such property shall be considered "real property additions" only in proportion to the additional urban services to be provided to the property over the urban services previously provided;

(i) The value of improvements to real property previously under assessment moratorium*;*

(j) The value of all unmined minerals appearing on the tax rolls on or before December 31, 1987, shall be considered "real property additions" for each year such value appears on the tax rolls prior to that date. Beginning January 1, 1988, "real property additions" shall include the value of all unmined minerals added to the tax rolls on or after that date for the year in which such value is added to the tax rolls.

"Real property deletions" shall be limited to the value of real property removed from, or reduced over the preceding year on, the property tax roll for the current year.

(9) "Agricultural land" means any tract of land, including all income-producing improvements but excluding all residences, of at least ten contiguous acres in area used for the production of livestock, livestock products, poultry, poultry products and/or the growing of tobacco and/or other crops including timber, or where devoted to and meeting the requirements and qualifications for payments pursuant to agriculture programs under an agreement with the state or federal government, where such activities produced an average annual gross income including payments under a state or federal program according to the following scale:

Acres	Annual Gross Income +	Income Per Acre
10 to 30	$1,000+	$60.00 per acre, or a fraction thereof, over 10 acres.
30 to 60	$2,200+	$40.00 per acre, or a fraction thereof, over 30 acres.
60 to 100	$3,400+	$25.00 per acre, or a fraction thereof, over 60 acres.
100 to 250	$4,400+	$10.00 per acre, or a fraction thereof, over 100 acres.
Over 250	$5,900+	$5.00 per acre, or a fraction thereof, over 250 acres.

The above annual gross income amounts must be achieved in three (3) out of the five (5) years preceding the tax year or there must be an annual gross income of these amounts within two (2) years of purchase. Land devoted exclusively to the growing of merchantable timber or nonincome-producing woodland is excluded from the gross income provisions.

(10) "Horticultural land" means any tract of land, including all income-producing improvements but excluding all residences, of at least five contiguous acres in area commercially used for the cultivation of a garden, orchard, or the raising of fruits or nuts, vegetables, flowers or ornamental plants, where such activities produced an average annual gross income according to the following scale:

Acres	Annual Gross Income +	Income Per Acre
5 to 30	$1,000 minimum, or	$100.00 per acre, or a fraction thereof, over 5 acres, or whichever amount is greater.
30 to 60	$3,000+	$50.00 per acre, or a fraction thereof, over 30 acres.
60 to 100	$4,500+	$25.00 per acre, or a fraction thereof, over 60 acres.
100 to 250	$5,500+	$10.00 per acre, or a fraction thereof, over 100 acres.
Over 250	$7,000+	$5.00 per acre, or a fraction thereof, over 250 acres.

The above annual gross income amounts must be achieved in three (3) out of the five (5) years preceding the tax year or there is evidence of anticipated annual gross income of these amounts. Land devoted exclusively to the growing of merchantable timber or nonincome-producing woodland is excluded from the gross income provisions.

(11) "Agricultural or horticultural value" means the use value of "agricultural or horticultural land" based upon income-producing capability and comparable sales of farmland purchased for farm purposes where the price is indicative of farm use value, excluding sales representing purchases for farm expansion, better accessibility, and other factors which inflate the purchase price beyond farm use value, if any, considering the following factors as they affect a taxable unit:

(a) Relative percentages of tillable land, pasture land, and woodland;
(b) Degree of productivity of the soil;
(c) Risk of flooding;
(d) Improvements to and on the land that relate to the production of income;
(e) Row crop capability including allotted crops;
(f) Accessibility to all-weather roads and markets; and
(g) Factors which affect the general agricultural or horticultural economy, such as: interest, price of farm products, cost of farm materials and supplies, labor, or any economic factor which would affect net farm income.

(12) "Deferred tax" means the difference in the tax based on agricultural or horticultural value and the tax based on fair cash value.

(13) "Homestead" means real property maintained as the permanent residence of the owner with all land and improvements adjoining and contiguous thereto including, but not limited to, lawns, drives, flower or vegetable gardens, outbuildings and all other land connected thereto.

(14) "Residential unit" means all or that part of real property occupied as the permanent residence of the owner.

(15) "Special benefits" are those which are provided by public works not financed through the general tax levy but through special assessments against the benefited property.

(16) "Mobile home" means a structure, transportable in one (1) or more sections, which when erected on site measures eight (8) body feet or more in width and thirty-two (32) body feet or more in length, and which is built on a permanent chassis and designed to be used as a dwelling, with or without a permanent foundation, when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems contained therein. It may be used as a place of residence, business, profession, or trade by the owner, lessee or their assigns and may consist of one (1) or more units that can be attached or joined together to comprise an integral unit or condominium structure.

(17) "Recreational vehicle" means a vehicular type unit primarily designed as temporary living quarters for recreational, camping, or travel use, which either has its own motive power or is mounted on or drawn by another vehicle. The basic entities are: travel trailer, camping trailer, truck camper and motor home.

(a) Travel trailer: A vehicular unit, mounted on wheels, designed to provide temporary living quarters for recreational, camping, or travel use, and of such size or weight as not to require special highway movement permits when drawn by a motorized vehicle, and with a living area of less than two hundred twenty(220) square feet, excluding built-in equipment (such as wardrobes, closets, cabinets, kitchen units or fixtures) and bath and toilet rooms.

(b) Camping trailer: A vehicular portable unit mounted on wheels and constructed with collapsible partial side walls which fold for towing by another vehicle and unfold at the camp site to provide temporary living quarters for recreational, camping, or travel use.

(c) Truck campers: A portable unit constructed to provide temporary living quarters for recreational, travel, or camping use, consisting of a roof, floor, and sides, designed to be loaded onto and unloaded from the bed of a pick-up truck.

(d) Motor home: A vehicular unit designed to provide temporary living quarters for recreational, camping or travel use built on or permanently attached to a self-propelled motor vehicle chassis or on a chassis cab or van which is an integral part of the completed vehicle.

(18) "Unmined minerals" means all forms of minerals which have not yet been mined or removed from the earth for which there exists a method of extraction of the unmined mineral in common usage in the industry and a commercial use for which the mined mineral could be devoted under available technologies, excluding oil, natural gas and natural gas liquids.

(19) "Active mining property" means an unmined mineral seam or seams on a parcel involved in a mining operation. Contiguous parcels under one ownership or owned or leased by closely related businesses shall be treated as one parcel. The active mining portion of each seam on a parcel is seven hundred and fifty (750) acres.

(20) "Active reserves" means the residual part of the unmined mineral seam or seams on a parcel which are actively being mined in excess of the active mining acreage or the number of acres corresponding to twenty-five (25) years of production, whichever is less.

(21) "Inactive reserve" means those seams of unmined minerals owned, leased, or controlled by a taxpayer in the demonstrated business of leasing or extracting that particular type of unmined mineral but are not being produced in an active mining operation or are not assignable to an active reserve property, and also unmined minerals which have been severed from the surface estate by deed and are not assignable as either "active mining property" or "active reserves."

(22) "Barren or unminable" property means those seams of unmined minerals not being actively mined which have been depleted by prior mining operations or which underlie surface property used for parks, residential, commerical or industrical purposes or from which mining is prohibited by law. In addition, "barren or unminable" property means those seams of unmined minerals which underlie surface being devoted to income producing agricultural purposes by the owner of the surface who also owns the unmined minerals, provided the unmined minerals are neither being mined nor prepared for mining.

Section 3. KRS 132.020 is amended to read as follows:

(1) An annual ad valorem tax for state purposes of thirty-one and one-half cents (31-1/2) upon each one hundred dollars ($100) of value of all real property directed to be assessed for taxation, and one and one-half cents (1-1/2) upon each one hundred dollars ($100) of value of all privately-owned leasehold interests in industrial buildings, as defined under KRS 103.200, owned and financed by a tax-exempt governmental unit, or tax-exempt statutory authority under the provisions of KRS Chapter 103 directed to be assessed for taxation, and one and one-half cents (1-1/2) upon each one hundred dollars ($100) of value of all tobacco directed to be assessed for taxation, and twenty-five cents (25) upon each one hundred dollars ($100) of value of all money in hand, shares of stock, notes, bonds, accounts and other credits, whether secured by mortgage, pledge or otherwise, or unsecured, except as otherwise provided in subsection (2) of this section, and one and one-half cents (1-1/2) upon each one hundred dollars ($100) of value of unmanufactured agricultural products, one-tenth of one cent ($.001) upon each one hundred dollars ($100) of value of all farm implements and farm machinery owned by a person actually engaged in farming and used in his farm operations, one-tenth of one cent ($.001) upon each one hundred dollars ($100) of value of all livestock and domestic fowl, one-tenth of one cent ($.001) upon each one hundred dollars ($100) of value of all tangible personal property located in a foreign trade zone as designated under 19 U.S.C. sec. 81, fifteen cents (15) upon machinery and products in course of manufacture, of individuals or corporations actually engaged in manufacturing, and their raw material actually on hand at their plant for the purpose of manufacture, fifteen cents (15) upon commercial radio, television and telephonic equipment directly used or associated with electronic equipment which broadcasts electronic signals to an antenna, fifteen cents (15) upon property which has been certified as a pollution control facility as defined in KRS 224.850, one-tenth of one cent ($.001) upon property which has been certified as an alcohol production facility as defined in KRS 247.910, and forty-five cents (45) upon each one hundred dollars ($100) of value of all other property directed to be assessed for taxation shall be paid by the owner or person assessed except as provided in subsection (2) of this section and KRS 132.030, 132.050, 132.200, 136.270, 136.300, 136.320 and other sections providing a different tax rate for particular property.

(2) An annual ad valorem tax for state purposes of one and one-half cents (1-1/2) upon each one hundred dollars ($100) of value shall be paid upon the following classes of intangible personal properties, when such intangible personal properties have not acquired a taxable situs without this state:

(a) Accounts receivable, notes, bonds, credits, nondomestic bank deposits, and any other intangible property rights arising out of or created in the course of regular and continuing business transactions substantially performed outside this state.

(b) Patents, trademarks, copyrights and licensing or royalty agreements, relating thereto.

(c) Shares of capital stock of any affiliated company as defined in subsection (3) of this section and notes, bonds, accounts receivable and all other intercompany intangible personal property due from such company.

(3) "Affiliated company" shall mean a parent corporation or subsidiary corporation, and any

corporation principally engaged in business outside the United States in which the owner or the person assessed directly or indirectly owns or controls not less than ten percent (10%) of the outstanding voting stock.

(4) With respect to the intangible properties taxed pursuant to subsection (2) of this section, no other ad valorem tax shall be levied by the state or any county, city, school or other taxing district on such intangible properties, or directly or indirectly against the owner with respect thereto.

(5) [~~Unmined coal and any interest therein, in whatever form held, including, but not limited to, leasehold and royalty interests shall be taxed at the rate of one-tenth of one cent ($.001) per one hundred dollars of assessed value.~~

~~(6)~~] Thirty cents (30) of the thirty-one and one-half cents (31-1/2) state tax rate on real property and thirty cents (30) of the forty-five cents (45) state tax on tangible personalty subject to local taxation shall be considered as local school district tax levies for purposes of computing any direct payments of state or federal funds to said districts as replacement for ad valorem taxes lost on property acquired by a governmental agency. Should the equivalency ever be less than thirty cents (30), as certified by the department of education, the direct payments shall be reduced proportionately.

(6)[~~(7)~~] The provisions of subsection (1) of this section notwithstanding, the state tax rate on real property shall be reduced to compensate for any increase in the aggregate assessed value of real property to the extent that such increase exceeds the preceding year's assessment by more than four percent (4%). In any year in which the aggregate assessed value of real property is less than the preceding year, the state rate shall be increased to the extent necessary to produce the approximate amount of revenue that was produced in the preceding year from real property.

(7)[~~(8)~~] By July 1 each year, the department of revenue shall compute the state tax rate applicable to real property for the current year in accordance with the provisions of KRS 132.020(6) and certify the rate to the county clerks for their use in preparing the tax bills. In the event the assessments for all counties have not been certified by July 1, the department shall, when real property assessments of at least seventy-five percent (75%) of the total number of counties of the Commonwealth have been certified, make an estimate of the real property assessments of the uncertified counties and compute the state tax rate.

(8)[~~(9)~~] In the event that the tax rate set by the department as provided in subsection (8) of this section produces more than a four percent (4%) increase in real property tax revenues, *exclusive of revenues produced prior to January 1, 1988 by application of the rate to unmined minerals,* the rate shall be adjusted in the succeeding year so that the cumulative total of each year's property tax revenue increase shall not exceed four percent (4%) per year.

(9)[~~(10)~~] An ad valorem tax for state purposes on distilled spirits shall be levied according to the following rate schedule:

Calendar Year	Rate per $100 of Assessed Value
1982	$.225
1983	$.1125
1984 and after	$.001

Section 4. KRS 132.200 is amended to read as follows:

All property subject to taxation for state purposes shall also be subject to taxation in the county, city, school or other taxing district in which it has a taxable situs, except the classes of property described in KRS 132.030 and 132.050, and the following classes of property, which shall be subject to taxation for state purposes only:

(1) Farm implements and farm machinery owned by a person actually engaged in farming and used in his farm operation;

(2) Livestock and domestic fowl;

(3) Capital stock of savings and loan associations;

(4) Machinery and products in course of manufacture, of individuals or corporations actually engaged in manufacturing, and their raw material actually on hand at their plant for the purpose of manufacture. Individuals or corporations actually engaged in the printing, publication and distribution of a newspaper or operating a job printing plant shall be deemed to be actually engaged in manufacturing;

(5) Commercial radio, television and telephonic equipment directly used or associated with electronic equipment which broadcasts electronic signals to an antenna; however, radio or television towers not essential to the production of the wave or signal broadcast shall not be included;

(6) Unmanufactured agricultural products (except that the same shall be exempt from taxation for state purposes to the extent of the value, or amount, of any unpaid nonrecourse loans thereon granted by the United States government or any agency thereof), and except that cities and counties may each impose an ad valorem tax of not exceeding one and one-half cents (1-1/2) on each $100 of the fair cash value of all unmanufactured tobacco and not exceeding four and one-half cents (4-1/2) on each $100 of the fair cash value of all other unmanufactured agricultural products, subject to taxation within their limits that are not actually on hand at the plants of manufacturing concerns for the purpose of manufacture, nor in the hands of the producer or any agent of the producer to whom the products have been conveyed or assigned for the

purpose of sale;

(7) Money in hand, notes, bonds, accounts and other credits, whether secured by mortgage, pledge or otherwise, or unsecured, and shares of stock, except that nothing in this section shall forbid local taxation of franchises of corporations or of the shares of banks, trust companies or combined banks and trust companies doing business in this state, or domestic life insurance companies;

(8) All privately-owned leasehold interest in industrial buildings, as defined under KRS 103.200, owned and financed by a tax-exempt governmental unit, or tax-exempt statutory authority under the provisions of KRS Chapter 103;

(9) Property which has been certified as a pollution control facility as defined in KRS 224.850;

(10) Property which has been certified as an alcohol production facility as defined in KRS 247.910;

(11) [~~On and after January 1, 1977, unmined coal and any interest therein, in whatever form held, including, but not limited to, leasehold and royalty interests;~~

~~(12)~~] On and after January 1, *1984* [~~1977~~], the assessed value of *all interests in* unmined *minerals, as defined in KRS 132.010* [~~coal~~] shall be included in the formula contained in KRS 132.590(2) in determining the amount of county appropriation to the office of the property valuation administrator;

(12)[~~(13)~~] Tangible personal property located in a foreign trade zone as designated under 19 U.S.C. sec. 81.

Section 5. KRS 132.230 is amended to read as follows:

(1) Every person listing his property with the property valuation administrator shall state:

(a) Each separate tract of land, *any interest in unmined minerals, oil, natural gas or natural gas liquids* with the number of acres in each tract; the value per acre; each of the improvements thereon; the name of the nearest resident thereto; where located, giving the election precinct in which it is located; the number of each city lot and the improvements thereon, in what city, on which street, the value of each, and the value of the improvements thereon to the extent that they enhance the value of each lot; whether there is any land adjoining his owned by a nonresident of the county or state, giving the name and place of residence of any such owner, if known;

(b) The number of livestock, their type, species and value;

(c) All other property including the number, denomination and fair cash value of all bonds subject to taxation owned by him with the value thereof on January 1 of the year for which the assessment is made, unless otherwise provided by law; and

(d) Such other facts as may be required in the blanks provided.

(2) An error or informality in the description or location of the property, or in the name of the owner or person assessed, shall not invalidate the assessment if the property can with reasonable certainty be located or identified from the description given, in which case the collector may receive the taxes and by his receipt correct the error or informality.

Section 6. KRS 132.330 is amended to read as follows:

The field agents, accountants and attorneys of the department of revenue shall cause to be listed for taxation all property omitted by the property valuation administrators, board of supervisors, department or any other assessing authority, for any year omitted. The agent, accountant or attorney proposing to have the property assessed shall file in the office of the county clerk of the county in which the property may be liable to assessment a statement containing a description and value of the property or corporate franchise proposed to be assessed, the name and place of residence of the owner, his agent or attorney, or person in possession of the property, if known, and the year the property was unassessed. The county clerk shall thereupon issue a summons against the owner, or person in possession of the property if the owner is unknown, to show cause within ten (10) days after the service of the summons, why the property or corporate franchise shall not be assessed at the value named in the statement filed. No decision shall be rendered against the alleged owner unless the statement filed contains a description of the property sought to be assessed that will enable the county judge/executive to identify it. The summons shall be executed by the sheriff by delivering a copy thereof to the owner, or if he is not in the county to his agent, attorney or person in possession of the property. If the property is real property, and the owner is known but is absent from the state and has no attorney or agent in this state and no one is in possession of the property, the summons shall be served by posting it in a conspicuous place upon the property; *in the case of unmined minerals, where the owner of the interest in the unmined minerals owns no interest in the surface, an action for assessment shall be instituted by filing a petition and procuring constructive service against the owner under the provisions of rule 4.05, 4.06, 4.07, and 4.08 of the Rules of Civil Procedure;* if the property consists of tangible personal property the summons shall be placed in a conspicuous place where the property is located. In the case of tangible and intangible personal property, where the owner and his place of residence are unknown and no one (1) has possession of the property, an action for assessment shall be instituted by filing the petition above mentioned and procuring constructive service against the owner under the provisions of rules 4.05, 4.06, 4.07 and 4.08 of the Rules of Civil Procedure. In all of the above cases an attachment of the property omitted from assessment may be procured from the district court against the owner, at the time of the institution of the action or thereafter, and without the execution of a bond by the Commonwealth or its relator, by the representative of the department of revenue making an affidavit that the property described in the petition is subject to state, county, school or other taxing district tax, and is unassessed for any taxable year.

SECTION 7. A NEW SECTION OF KRS CHAPTER 132 IS CREATED TO READ AS FOLLOWS:

(1) On and after January 1, 1984, every corporation, company, association, partnership or person owning or engaged in the business of extracting metalliferous or non-metalliferous ore or owning or engaged in the production of unmined minerals or engaged in the extraction or leasing for extraction of oil, natural gas, or natural gas liquids shall, as of January 1 of each year, and by February 1, make and deliver a report to the department of revenue showing the following facts:

(a) The name, description and location of the interest in unmined minerals, oil, natural gas, or natural gas liquids, and any mine, lease, well or preparation plant, including tipples, owned or operated by him during the preceding calendar year;

(b) The number of tons of ore, or hydrocarbon substance, the number of cubic feet of gas or the number of barrels of oil produced or extracted during the preceding calendar year;

(c) The type(s) or grade(s) of ore or other hydrocarbon substance held by the person, partnership, company or corporation and the extent of such holdings;

(d) Such other reasonable and necessary information as may be required by the department of revenue.

(2) On and after January 1, 1984, the department of revenue shall determine the fair cash value of all mineral properties required to be reported by subsection (1) of this section according to valuation methods that fairly establish the actual value of mineral properties taking into consideration the values of minerals for: active mining property; active reserve property; inactive reserve property and barren or unminable property; and taking into consideration the taxpayer's maps and records, other factors which shall be considered by the department include, but are not limited to:

(a) Sales of other tracts of similar unmined minerals;

(b) The current market price for the mineral if extracted;

(c) The availability of transportation and preparation facilities for the mineral, if extracted;

(d) BTU content, sulfur and ash content of tested samples of the unmined minerals, if available;

(e) The degree to which the unmined minerals and adjacent mineral properties are under production, or can be put into immediate production; and

(f) The existence of any lease for the unmined minerals, including any royalty provisions contained therein.

(3) When the valuation has been finally determined, the department shall certify the valuation to the property valuation administrator who shall place the valuation upon the county assessment rolls and give notice to the property owner as provided in KRS 132.450.

SECTION 8. A NEW SECTION OF KRS CHAPTER 132 IS CREATED TO READ AS FOLLOWS:

(1) If the taxpayer offers an analysis of any core, or other drilling, or any open prospect holes, benches, test data, chemical analysis or other data in order to prove qualification under this section, such analysis shall be vertified by an independent qualified geologist, chemist, or other expert appointed by the department of revenue, according to the acceptable standards of the particular industry. Such analysis, if so verified, shall be used as evidence of value of the unmined minerals for the surrounding area to the extent that the boundary for such area does not exceed the acceptable standards set out by the United States, Bureau of Mines and the United States Geological Survey.

(2) If any tract of unmined minerals valued as barren or unminable property is prepared for extraction, then that tract of unmined minerals or shall be subject to revaluation based on the current fair cash value of the tract and the owner shall be liable for taxes based on the fair cash value for the two (2) years immediately preceding the year of revaluation but shall not be liable for deferred taxed for any year prior to the effective date of this Act.

SECTION 9. A NEW SECTION OF KRS CHAPTER 132 IS CREATED TO READ AS FOLLOWS:

(1) Revenue produced pursuant to KRS 132.020(1) from the assessment and levy upon unmined minerals shall be distributed as follows:

(a) For the fiscal year beginning July 1, 1984, the lesser of the sum of five hundred thousand dollars ($500,000) or the total revenue produced from the assessment and levy upon unmined minerals shall be transferred to the "restricted fund group" established by KRS 45.322(1)(e) for use by the department of revenue for the purpose of assessing unmined minerals. Any revenue produced in excess of this amount shall be transferred to the "operating fund group" established by KRS 45.322(1)(a) for the general operations of state government.

(b) For the fiscal year beginning July 1, 1985, the lesser of the sum of one million dollars ($1,000,000) or the total revenue produced from the assessment and levy upon unmined minerals shall be transferred to the "restricted fund group" established by KRS 45.322(1)(e) for the purposes outlined in paragraph (a) of this

subsection, and the balance, if any, shall be transferred to the "operating fund group" established by KRS 45.322(1)(a) for the general operations of state government.

(2) In subsequent years, revenue produced from the assessment and levy upon unmined minerals which is adequate to carry out the purposes outlined in paragraph (1)(a) of this section shall be transferred to the "restricted fund group" established by KRS 45.322(1)(e) for use by the department of revenue, and the balance, if any, shall be transferred to the "operating fund group" established by KRS 45.322(1)(a) for the general operations of state government.

SECTION 10. A NEW SECTION OF KRS CHAPTER 132 IS CREATED TO READ AS FOLLOWS:

Beginning January 1, 1985, and each January 1 thereafter, the county clerk shall provide a list of all transfers of unmined minerals for the prior year to the department of revenue by February 1 each year which shall include references to deed books and page numbers where the transaction can be found.

Section 11. KRS 133.010 is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Board" means the county board of assessment appeals.

(2) "Department" means the department of revenue.

(3) "Taxpayer" means any person made liable by law to file a return or pay a tax.

(4) "Real property" includes all lands, *and unmined minerals, oil, natural gas, and natural gas liquids* within this state and improvements thereon.

(5) "Personal property" includes every species and character of property, tangible and intangible, other than real property.

Section 12. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

Section 13. Whereas it is imperative that all property be assessed as of January, 1984, an emergency is declared to exist and the provisions of this Act shall be effective on January 1, 1984.

Floor Amendment No. 1 to **SB 317,** by Representative LeMaster:

Amend printed copy of **SB 317** on page 2, following line 13, insert the following:

"Section 3. KRS 100.253 is amended to read as follows:

(1) The lawful use of a building or premises, existing at the time of the adoption of any zoning regulations affecting it may be continued, although such use does not conform to the provisions of such regulations, except as otherwise provided herein.

(2) The board of adjustments shall not allow the enlargement or extension of a nonconforming use beyond the scope and area of its operation at the time the regulation which makes its use nonconforming was adopted, nor shall the board permit a change from one (1) nonconforming use to another unless the new nonconforming use is in the same or a more restrictive classification, provided, however, the board of adjustments may grant approval, effective to maintain nonconforming-use status, for enlargements or extensions, made or to be made, of the facilities of a nonconforming use, where the use consists of the presenting of a major public attraction or attractions, such as a sports event or events, which has been presented at the same site over such period of years and has such attributes and public acceptance as to have attained international prestige and to have achieved the status of a public tradition, contributing substantially to the economy of the community and state, of which prestige and status the site is an essential element, and where the enlargement or extension was or is designed to maintain the prestige and status by meeting the increasing demands of participants and patrons.

(3) Any use which is a nonconforming use and has been in existence for a period of ten (10) years shall be deemed approved as a valid nonconforming use.

(4) The provisions of this section shall not apply to counties containing a city of the first class, a city of the second class, or urban-county government."

Floor Amendment No. 1 to **SB 336,** by Representative Cyrus:

Amend printed copy of **SB 336** on page 2, after line 2 and before line 3 by inserting:

"*(5) All insurers shall provide coverage for chiropractic services as defined in KRS Chapter 312 under the same contractual terms and conditions affecting any other provider of health care services.*"

Page 3, after line 3 and before line 4 by inserting:

"*(5) All insurers shall provide coverage for chiropractic services as defined in KRS Chapter 312* *under the same contractual terms and conditions affecting any other provider of health care services.*"

Floor Amendment No. 1 to **SB 338,** by Representative Moberly:

Amend printed copy of **SB 338** on page 2, after line 12, by adding:

"Section 2. KRS 151.580 is amended to read as follows:

(1) The department may negotiate with the appropriate federal agencies for the operation or maintenance of a navigable waterway within the state boundaries. The department shall not initiate negotiation for operation or maintenance of a waterway under federal control unless the lack of an agreement jeopardizes the continued navigation of said waterway. Any agreement negotiated by the department shall be subject to the approval of the governor and the secretary of the department of finance, and, if the negotiated agreement will involve the expenditure of state funds, the general assembly may appropriate funds to fulfill the terms of the negotiated agreement before the negotiated agreement shall become effective.

(2) Hydroelectric generating facilities shall be prohibited in the lock chambers of any dam of any navigable waterway which is the subject of negotiations under subsection (1) of this section, as well as all associated equipment and transmission lines."

Floor Amendment No. 2 to **SB 343,** by Representative T. Jones:

Amend printed copy of **SB 343** on page 3, after line 10, by inserting the following:

"Section 3. Whereas there is presently no procedure to question the bona fides of certain candidates seeking nomination or election, an emergency is declared to exist and this Act shall become effective upon passage and signature by the governor."

Floor Amendment No. 1 to **SB 352,** by Representative Gray:

Amend printed copy of **SB 352** by amending the title to read as follows:

"AN ACT relating to the labor cabinet."

Floor Amendment No. 2 to **SB 352,** by Representative Gray:

Amend printed copy of **SB 352** on page 71, after line 3, by adding the following section:

"Section 45. KRS 342.730 is amended to read as follows:

(1) Income benefits for disability shall be paid to the employe as follows:

(a) For total disability, sixty-six and two-thirds percent (66 2/3%) of the employe's average weekly wage but not more than one hundred percent (100%) of the state average weekly wage and not less than twenty percent (20%) of the state average weekly wage as determined in KRS 342.740 during such disability.

(b) For permanent[~~,~~] partial *functional impairment, or occupational disability, when subsection (c) of this section does not apply* [~~disability~~], sixty-six and two-thirds percent (66 2/3%) of the employe's average weekly wage, but not more than seventy-five percent (75%) of the state average weekly wage as determined by KRS 342.740, multiplied by *the greater of either:*

1. The [~~his~~] percentage of *functional impairment* [~~disability~~] caused by the injury or occupational disease as determined by "guides to the evaluation of permanent impairment," American medical association*; or*

2. The percentage of occupational disability as determined under KRS 342.620(11), for a period of four hundred twenty-five (425) weeks, exclusive of the period of temporary total disability[~~, 1977 edition, or by his percentage of disability as determined under KRS 342.620 (11), whichever is greater, for a maximum period, from the date the disability arises, of four hundred twenty-five (425) weeks. Any temporary total disability period within the maximum period for permanent, partial disability benefits shall extend the maximum period but shall not make payable a weekly benefit exceeding that determined in subsection (1)(a) of this section. Notwithstanding any section of KRS Chapter 342 to the contrary, there shall be no minimum weekly income benefit for permanent partial disability and medical benefits shall be paid for the duration of the disability~~].

(c) For permanent partial occupational disability of twenty-five percent (25%) or greater, when it is determined that the provisions of KRS 342.620(11) are applicable, sixty-six and two-thirds percent (66 2/3%) of the employe's average weekly wage but not more than seventy-five percent (75%) of the state average weekly wage as determined by KRS 342.740, multiplied by his percentage of occupational disability caused by the injury or occupational disease for the duration of disability.

(d) Any temporary total disability period within the maximum period for permanent, partial benefits shall extend the maximum period but shall not make payable a weekly benefit exceeding that determined in subsection (1)(a) of this section. Notwithstanding any section of this chapter to the contrary there shall be no minimum weekly income benefit for permanent partial benefits and medical benefits shall be paid for the duration of disability.

(2) The period of any income benefits payable under this section on account of any injury shall be reduced by the period of income benefits paid or payable under this chapter on account of a prior injury if income benefits in both cases are for disability of the same member or function, or different parts of the same member or function, and the income benefits payable on account of the subsequent disability in whole or in part would duplicate the income benefits payable on account of the pre-existing disability.

(3) When an employe, who has sustained disability compensable under this section, and who has filed, or could have timely filed, a valid claim in his lifetime, dies from causes other than the injury before the expiration of the compensable period specified, the income benefits specified and unpaid at the individual's death, whether or not accrued or due at his death, shall be paid, under an award made before or after such death, for the period specified in this section, to and for the benefit of the persons within the classes at the time of death and in the proportions and upon the conditions specified in this section and in the order named:

(a) To the widow or widower, if there is no child under the age of eighteen (18) or incapable of self-support; or

(b) If there are both such a widow or widower and such a child or children, one-half to such widow or widower and the other half to such child or children; or

(c) If there is no such widow or widower but such a child or children, then to such child or children; or

(d) If there is no survivor in the above classes, then the parent or parents wholly or partly actually dependent for support upon the decedent, or to other wholly or partly actually dependent relatives listed in paragraph (g) of subsection (1) of KRS 342.750 or to both, in such proportions as the board may provide by regulation.

Floor Amendment No. 1 to **SB 353**, by Representative Mann:

Amend printed copy of **SB 353** on page 9, after line 20 by adding the following language:

"SECTION 3. A NEW SECTION OF KRS CHAPTER 241 IS CREATED TO READ AS FOLLOWS:

Appeals from the orders of a county administrator involving suspension or revocation of a license for violations of county ordinances or regulations shall be taken to the circuit court for the county in which the licensed premises is located by filing with the clerk of the court notice of appeal and a certified copy of the order of the county administrator within ten (10) days after the issuance of such order. The county administrator shall transmit a certified record of the proceedings from which such order was issued to the clerk of the court in which the appeal was filed within thirty (30) days after the issuance of the order which is being appealed. The clerk shall docket the case in the manner of a civil proceeding.

SECTION 4. A NEW SECTION OF KRS CHAPTER 241 IS CREATED TO READ AS FOLLOWS:

Appeals from the orders of a city administrator involving suspension or revocation of a license for violations of city ordinances or regulations shall be taken to the circuit court for the county in which the licensed premises is located by filing with the clerk of the court notice of appeal and a certified copy of the order of the city administrator within ten (10) days after the issuance of such order. The city administrator shall transmit a certified record of the proceedings from which such order was issued to the clerk of the court in which the appeal was filed within thirty (30) days after the issuance of the order which is being appealed. The clerk shall docket the case in the manner of a civil proceeding.

SECTION 5. A NEW SECTION OF KRS CHAPTER 241 IS CREATED TO READ AS FOLLOWS:

Appeals from the orders of an urban-county administrator involving suspension or revocation of a license for violations of urban-county ordinances or regulations shall be taken to the circuit court for the county in which the licensed premises is located by filing with the clerk of the court notice of appeal and a certified copy of the order of the urban-county administrator within ten (10) days after the issuance of such order. The urban-county administrator shall transmit a certified record of the proceedings from which such order was issued to the clerk of the court in which the appeal was filed within thirty (30) days after the *issuance of the order which is being appealed. The clerk shall docket the case in the manner of a civil proceeding.*

Section 6. KRS 241.110 is amended to read as follows:

(1) The fiscal court of any county in which traffic in alcoholic beverages is not forbidden under KRS chapter 242 may by resolution declare that regulation of the traffic in that county is necessary. The county judge/executive shall thereupon constitute a county alcoholic beverage control administrator for the county. However, the county judge/executive may decline to accept said office, or after accepting same he may resign therefrom, and in either event, notwithstanding the provisions of KRS 241.120 to and including KRS 241.150, he may thereupon appoint a person at least thirty (30) years of age, who at the time of his appointment has been a citizen of the state and a resident of that county for at least two (2) years next preceding the date of appointment, and who is able to qualify to serve at the pleasure of the county judge/executive as county alcoholic beverage control administrator for such county. Before entering upon his duties as such county alcoholic beverage control administrator appointed by the county judge/executive the appointee shall take the oath prescribed by section 228 of the constitution and execute a bond with a good corporate surety in the penal sum of one thousand dollars ($1,000). The cost of the bond shall be borne by the county. Upon the qualification of such person as county alcoholic beverage control administrator for such county, he shall immediately notify the board.

(2) The functions of such county alcoholic beverage control administrator, appointed by the county judge/executive, shall be the same as set out in KRS 241.140.

(3) The compensation of such county alcoholic beverage control administrator, appointed by the county judge/executive, shall be fixed by the fiscal court in accordance with KRS 64.530. The county judge/executive may also appoint such investigators and clerks as are deemed necessary for the proper conduct of such county alcoholic beverage control administrator's office, their salaries likewise shall be fixed by the fiscal court pursuant to KRS 64.530, and they will serve at the pleasure of the county judge/executive.

(4) No person shall be a county alcoholic beverage control administrator, as herein provided for, an investigator or an employe of the county under the supervision of such county alcoholic beverage control administrator, who would be disqualified to be a member of the board under KRS 241.100.

(5) The said county alcoholic beverage control administrator, appointed by the county judge/executive, and his investigators, shall have full police powers of peace officers, and their jursidiction shall be over the unincorporated areas of such county and within the corporate limits of any city therein not having its own administrator. They may inspect any premises where alcoholic beverages are manufactured, sold, stored or otherwise trafficked in, without first obtaining a search warrant.

(6) Appeals from any order of such county alcoholic beverage control administrator, appointed by the county judge/executive, shall be made pursuant to KRS 241.150 *or Section 1 of this Act.*

Section 7. KRS 241.140 is amended to read as follows:

(1) The functions of each county administrator shall be the same, with respect to local licenses and regulations, as the functions of the board with respect to state licenses and regulations, except that no regulation adopted by a county administrator may be less stringent than statutes relative to alcoholic beverage control or than the regulations of the board. No regulation of a county administrator shall become effective until it has been approved by the board. If any city appoints its own administrator as provided for in KRS 241.170, the county administrator in that county shall have jurisdiction over only that portion of the county which lies outside the corporate limits of that city.

(2) The county administrator shall conduct a formal hearing for each licensee cited for violating a county ordinance or regulation where the penalty for such violation might result in suspension or revocation of a license.

Section 8. KRS 241.150 is amended to read as follows:

Appeals from the orders of a county administrator, *except those involving suspension or revocation of a license for violation of a county ordinance or regulation,* may be taken to the board by filing with the board within ten (10) days a certified copy of the orders of the county administrator. Matters at issue shall be heard by the board as upon an original proceeding. Appeals from orders of the county administrator shall be governed by KRS 243.550 to 243.590.

Section 9. KRS 241.190 is amended to read as follows:

(1) The functions of each city administrator shall be the same with respect to city licenses and regulations, as the functions of the board with respect to state licenses and regulations, except that no regulation adopted by a city administrator may be less stringent than the statutes relating to alcoholic beverage control, or than the regulations of the board. No regulation of a city administrator shall become effective until it has been approved by the board.

(2) The city administrator shall conduct a formal hearing for each licensee cited for violating a city ordinance or regulation where the penalty for such violation might result in suspension or revocation of a license.

Section 10. KRS 241.200 is amended to read as follows:

Appeals from the orders of each city administrator, *except those involving suspension or revocation of a license for violation of a city ordinance or regulation,* may be taken to the board, by filing with the board within ten (10) days a certified copy of the orders of the city administrator. Matters at issue shall be heard by the board as upon an original proceeding. Appeals from orders of the city administrator shall be governed by KRS 243.550 to 243.590.

Section 11. KRS 241.250 is amended to read as follows:

(1) The functions of each urban-county administrator shall be the same with respect to urban-county licenses and regulations, as the functions of the board with respect to state licenses and regulations, except that no regulation adopted by an urban-county administrator may be less stringent than the statutes relating to alcoholic beverage control, or than the regulations of the board. No regulation of an urban-county administrator shall become effective until it has been approved by the board.

(2) The urban-county administrator shall conduct a formal hearing for each licensee cited for violating an urban-county ordinance or regulation where the penalty for such violation might result in suspension or revocation of a license.

Section 12. KRS 241.260 is amended to read as follows:

Appeals from the orders of each urban-county administrator, *except those involving suspension or revocation of a license for violation of an urban-county ordinance or regulation,* may be taken to the board by filing with the board within ten (10) days a certified copy of the orders of the urban-county administrator. Matters at issue shall be heard by the board as upon an original proceeding. Appeals from orders of the urban-county administrator shall be governed by KRS 243.550 to 243.590.

Section 13. KRS 243.550 is amended to read as follows:

Hearings upon appeals from orders of a county administrator, [~~or~~] a city administrator *or an urban-county administrator, except as provided by Section 1, Section 2 or Section 3 of this Act,* a determination of a state administrator, or upon proceedings for revocation or suspension shall be held by the board. The board may, at its discretion, hold the hearing in Frankfort, or in the county where the licensed premises, or the premises to be licensed, are located. The board shall control the introduction of evidence and shall hear all arguments of the parties or their counsel as it or he deems necessary or appropriate. The procedure on such hearings shall be summary and in accordance with the regulations of the board. A record of the orders appealed from or the charges filed, of the evidence heard and of all steps taken, shall be kept by the board. Decisions shall be made and orders entered only upon the vote of a majority of the board."

Floor Amendment No. 3 to **HB 932**, by Representative Reinhardt:

Amend printed copy of **HB 932** on page 1, before line 1, by inserting the following:

"Section 1. KRS 140.080 is amended to read as follows:

(1) The following exemptions chargeable against the lowest bracket or brackets of inheritable interests shall be free from any tax under the preceding provisions of this chapter:

(a) Surviving spouse, *$100,000, and $20,000 for each minor child, whether or not such child inherits separately from the decedent* [~~$50,000~~];

(b) 1. Infant child by blood or adoption, $20,000;

2. Child by blood who has been declared mentally disabled by a court of competent jurisdiction, $20,000; or a

3. Child adopted during infancy who has been declared mentally disabled by a court of competent jurisdiction, $20,000;

(c) 1. Parent, *$10,000* [~~$5,000~~];

2. Child by blood, *$10,000* [~~$5,000~~];

3. Stepchild, *$10,000* [~~$5,000~~];

4. Child adopted during infancy, *$10,000* [~~$5,000~~]; or a

5. Grandchild who is the issue of a child by blood, or of a stepchild or of a child adopted during infancy, *$10,000* [~~$5,000~~];

(d) All persons of Class B, under KRS 140.070, $1,000; and

(e) All persons of Class C, under KRS 140.070, $500.

(2) If the decedent was not a resident of this state, the exemption shall be the same proportion of the allowable exemption in the case of residents that the property taxable by this state bears to the whole property transferred by the decedent."

And by renumbering the remaining sections to conform.

Adjournment

Representative LeMaster moved that the House adjourn until 2:00 p.m., Monday, March 26, 1984.

On the roll call the vote was yeas 67-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Lefevers, LeMaster, Lile, Little, McBee, McElroy, McNutt, Meyer, Moberly, Nett, Noe, Noland, O'Brien, Pearman, Priddy, Rapier, Reinhardt, B. Richardson, P. Richardson, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomason, Todd, Turner, Van Horn, White, Yates. Nays 2-Bronger, Heleringer.

The motion to adjourn was adopted.

MONDAY, MARCH 26, 1984

FIFTY-FOURTH LEGISLATIVE DAY

The House was called to order by Speaker Richardson.

Prayer by Reverend Donald Benningfield, Brandenburg United Methodist Church, Brandenburg, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present.

Representative Brinkley moved that the reading of the Journal of March 23, 1984, be dispensed with and the same approved. Agreed.

Senate Message

Announcing passage of **HB 493** with Senate Amendments, **HB 738** with Senate Amendments, **HB 769** with Senate Amendments, **HB 771** with Senate Amendments, **HB 937** with Senate Amendments, **HB 1006** with Senate Committee Substitute, **HJR 63** with Senate Amendment, **HB 111**, **HB 538**, **HB 539**, **HB 565**, **HB 746**, **HB 760**, **HB 770**, **HB 846**, **HB 869**, and **HB 933**.

The following message was received in regard to **SB 20**: The Senate has appointed the following members to serve on A Free Conference Committee: Senators Lackey, Karem, and Huff.

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bills and Resolutions:

State Government: **HR 145**.

Transportation: **HR 141**.

Posting of Bills and Resolutions for Consideration

The Clerk reported the following Bills have been withdrawn from Committee consideration:

Labor and Industry: **SB 38**, **HB 211**, **HB 287**, **HB 291**, **HB 348**, **HB 349**, **HB 353**, **HB 386**, **HB 396**, **HB 432**, **HB 443**, **HB 448**, **HB 604**, **HB 648**, **HB 675**, **HB 681**, **HB 693**, **HB 732**, **HB 740**, **HB 794**, **HB 878**, **HB 950**, and **HB 973**.

Report of Committees

The Committee on Rules reported **SB 74**, **SB 169**, **SB 185**, **SB 197**, **SB 202**, **SB 275**, **SB 294**, **SB 303**, **SB 341**, **SB 361**, **SB 364**, **SB 390**, **SCR 30**, **SB 236**, **SB 306**, **SB 330**, **SB 86**, and **SB 132** have been posted for passage in Orders of the Day, March 27, 1984.

The Committee on Rules reported the following have been recommitted:

Health and Welfare: **HB 759**, **HCR 120**.

The Committee on Counties and Special Districts reported **HB 703**, with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

The Committee on State Government reported **SB 137, SB 159, SB 160, SB 161, SB 162, SB 164, SB 165, SB 179, SB 180,** and **SB 414** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 137, AN ACT proposing an amendment to Section 144 of the Constitution of Kentucky relating to fiscal courts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. It is proposed that Section 144 of the Constitution of Kentucky be amended to read as follows:

Counties shall have a Fiscal Court, which may consist of the Judge of the County Court and the Justices of the Peace, in which Court the Judge of the County Court shall preside, if present; or a county may have three commissioners, to be elected from the county at large, who, together with the Judge of the County Court, shall constitute the Fiscal Court. *If a county containing a city of the first class chooses a Fiscal Court composed of commissioners, there shall be seven commissioners, to be elected from the county at large, who, together with the Judge of the County Court, shall constitute Fiscal Court.* A majority of the members of said Court shall constitute a Court for the transaction of business. But where, for county governmental purposes, a city is by law separated from the remainder of the county, such Commissioners may be elected from the part of the county outside of such city.

Section 2. It is further proposed as a part of this amendment and as a schedule of transition that no fiscal court composed of seven commissioners shall take office until January, 1988, and that the General Assembly may reduce the term of any member of an existing fiscal court whose term of office began before and would extend beyond January, 1988.

Section 3. This amendment shall be submitted to the voters of the Commonwealth for their ratification or rejection at the time and in the manner provided for under Sections 256 and 257 of the Constitution and under KRS 118.415.

SB 159, AN ACT relating to public advocacy.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 31.010 is amended to read as follows:

There is hereby established as an independent agency of state government, *attached for administrative purposes to the public protection and regulation cabinet,* the *department of* [~~office for~~] public advocacy, in order to provide for the establishment, maintenance and operation of a state sponsored and controlled system for:

(1) The representation of indigent persons accused of crimes or mental states which may result in their incarceration or confinement; and

(2) The pursuit of legal, administrative, and other appropriate remedies to insure the protection of the rights of the developmentally disabled. For the purposes of this chapter, "developmentally disabled" shall be defined as provided in Public Law 94-103, or as amended.

SB 160, AN ACT relating to reorganization.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 194.030 is amended to read as follows:

The cabinet for human resources shall consist of the following major organizational units which are hereby created:

(1) Office of the secretary.

(2) The office for policy and budget. The office for policy and budget shall provide the secretary with professional support in planning, budgeting, and policy analysis, including the appraisal of needs, the formulation of policy and the evaluation of programs. The office for policy and budget shall be headed by an administrator who shall be appointed by the secretary with the approval of the governor in accordance with KRS 12.050.

(3) The office of the counsel. The office of the counsel shall provide legal advice and assistance to all units of the cabinet in any legal action in which it may be involved. The office of the counsel shall employ all attorneys of the cabinet who serve the cabinet in the capacity of attorney and shall administer all personal service contracts of the cabinet for legal services. The office of the counsel shall be headed by a general counsel who shall be appointed by the secretary with the approval of the governor in accordance with KRS 12.050 and 12.210. The general counsel shall be the chief legal advisor to the secretary and shall be directly responsible to the secretary. The attorney general, on the request of the secretary, may designate the general counsel as an assistant attorney general in accordance with the provisions of KRS 15.105.

(4) The office of the ombudsman. The office of the ombudsman shall provide a review of citizen complaints on services of the cabinet for human resources when such complaints cannot be resolved through normal administrative remedies. The office of the ombudsman shall be headed by an ombudsman who shall be appointed by the governor with the advice of the secretary. The ombudsman shall be directly responsible to the secretary.

(5) The office of administrative services. The office of administrative services shall be responsible for providing administrative support services within the cabinet for human resources. All fiscal, facility and information management functions of the cabinet shall be vested in the office of administrative services. The office of administrative services shall be headed by an executive director who shall be appointed by the secretary with the approval of the governor in accordance with KRS 12.050. The executive director shall be a person who by experience and training in administration and management is qualified to perform the duties of this office. The executive director shall exercise authority over the office of administrative services under the direction of the secretary and shall only fulfill such responsibilities as delegated by the secretary.

(6) The department for social insurance. The department for social insurance shall develop and operate [~~all~~] programs of the cabinet that provide income maintenance or income supplementation services and [~~all~~] social insurance benefit programs *not assigned to another department*. The department for social insurance shall also be responsible for all eligibility determination and certification functions associated with these programs. The department for social insurance shall be headed by a commissioner for social insurance who shall be appointed by the secretary with the approval of the governor in accordance with KRS 12.050. The commissioner for social insurance shall be a person who by experience and training in administration and management is qualified to perform the duties of this office. The commissioner for social insurance shall exercise authority over the department for social insurance under the direction of the secretary and shall only fulfill such responsibilities as delegated by the secretary.

(7) The department for health services. The department for health services shall develop and operate all programs of the cabinet that provide health and mental health services and all programs for the prevention, detection, care, and treatment of physical and mental disability, illness, and disease. The department for health services shall be headed by a commissioner for health services who shall be appointed by the secretary with the approval of the governor in accordance with KRS 12.050. The commissioner for health services shall be a duly licensed physician who by experience and training in administration and management is qualified to perform the duties of this office. The commissioner shall advise the head of each major organizational unit enumerated in this section on policies, plans and programs relating to all matters of public health, including any actions necessary to safeguard the health of the citizens of the Commonwealth. The commissioner shall serve as chief medical officer of the Commonwealth. The commissioner for health services shall exercise authority over the department for health services under the direction of the secretary and shall only fulfill such responsibilities as delegated by the secretary.

(8) The department for social services. The department for social services shall develop and operate all social service programs of the cabinet. The department for social services shall be headed by a commissioner for social services who shall be appointed by the secretary with the approval of the governor in accordance with KRS 12.050. The commissioner for social services shall be a person who by education, professional qualification, training, and experience in the administration and management of social service programs is qualified to perform the duties of this office. The commissioner for social services shall exercise authority over the department for social services under the direction of the secretary and shall only fulfill such responsibilities as delegated by the secretary.

(9) The department for *employment* [~~manpower~~] services. The department for *employment* [~~manpower~~] services shall develop and operate all *employment* [~~manpower~~] development and placement programs including all job recruitment and business liaison functions, employability development and training programs, and all job counseling and job placement programs of the cabinet. *In addition the department shall develop and operate all programs relating to unemployment insurance laws of the Commonwealth including responsibilities relating to hearing and judging unemployment insurance benefit appeals.* The department for *employment* [~~manpower~~] services shall be headed by a commissioner for *employment* [~~manpower~~] services who shall be appointed by the secretary with the approval of the governor in accordance with KRS 12.050. The commissioner for *employment* [~~manpower~~] services shall be a person who by experience and training in administration and management is qualified to perform the duties of this office. The commissioner for *employment* [~~manpower~~] services shall exercise authority over the department for

employment [~~manpower~~] services under the direction of the secretary and shall fulfill only such responsibilities as delegated by the secretary.

(10) The office of the inspector general. The office of the inspector general shall be responsible for: (a) the conduct of audits and investigations for detecting the perpetration of fraud or abuse of any program by any client, or by any vendor of services with whom the cabinet has contracted; (b) such licensing and regulatory functions as the secretary may delegate; and (c) the notification and forwarding of any information relevant to possible criminal violations to the appropriate prosecuting authority. The office of the inspector general shall be headed by an inspector general who shall be appointed by the secretary with the approval of the governor. The inspector general shall be directly responsible to the secretary.

Section 2. This Act confirms the renaming of the department for manpower services and the reassignment of the division of unemployment insurance to the department for employment services effected by Executive Order 83-71.

SB 161, AN ACT relating to the Kentucky housing corporation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 42.016 is amended to read as follows:

The following corporate bodies and instrumentalities of the Commonwealth shall be attached to the office of the secretary for administrative purposes and staff services:

(1) Financial disclosure review commission;
(2) State property and buildings commission;
(3) Kentucky pollution abatement authority;
(4) Capital plaza authority;
(5) Kentucky savings bond authority;
(6) County officials compensation board;
(7) Kentucky public employes deferred compensation board;
(8) State investment commission*;*
(9) Kentucky housing corporation.

Section 2. KRS 174.020 is amended to read as follows:

The transportation cabinet in addition to the bureaus set forth in KRS 174.015 shall consist of the following organizational units which are hereby created or re-established:

(1) Office of the secretary of transportation comprised of the secretary of transportation, deputy secretary, deputy secretary for legal affairs, equal employment opportunity staff and project coordinator;
(2) Railroad commission, attached to the office of the secretary for administrative purposes;
(3) Office of comptroller[~~;~~
~~(4) Kentucky housing corporation, attached to the office of the secretary for administrative purposes~~].

Section 3. KRS 198A.030 is amended to read as follows:

(1) There is hereby created and established an independent, de jure municipal corporation and political subdivision of the Commonwealth which shall be a public body corporate and politic to be known as the Kentucky housing corporation.

(2) The Kentucky housing corporation is created and established as a de jure municipal corporation and political subdivision of the Commonwealth to perform essential governmental and public functions and purposes in improving and otherwise promoting the health and general welfare of the people by the production of residential housing in Kentucky.

(3) The corporation shall be governed by a board of directors, consisting of *fourteen (14)* [~~sixteen (16)~~] members, *six (6)* [~~eight (8)~~] of whom shall be the lieutenant governor, the secretary of the finance and administration cabinet, the commissioner of the department for local government, the commissioner of revenue, the attorney general, *and* the secretary of the commerce cabinet, [~~the secretary of transportation and the commissioner of economic development,~~] or their duly appointed designees, as public directors, and eight (8) of whom shall be chosen from the general public residing in the Commonwealth, as private directors.

(4) Upon organization of the corporation, the governor shall appoint the eight (8) private directors to take office and to exercise all powers thereof immediately. Of the eight (8) directors of the corporation thus appointed, two (2) shall continue in office for terms of one (1) year, and two (2) for terms of two (2) years, two (2) for terms of three (3) years and two (2) for terms of four (4) years respectively as the governor shall designate; at the expiration of said terms and for all succeeding terms, the governor shall appoint a successor to the office of private director for a term of four (4) years in each case; provided, however, such appointees shall serve until a qualified successor is appointed.

(5) In case of a vacancy, the governor may appoint a person for such a vacancy to hold office during

the remainder of the term.

(6) The governor may remove any private director whom he may appoint in case of incompetency, neglect of duty, gross immorality, or malfeasance in office; and he may declare his office vacant and may appoint a person for such vacancy as provided in other cases of vacancy.

(7) The governor shall designate a director of the corporation to serve as chairman. The term of the chairman shall extend to the earlier of either the date of expiration of his then current term as a director of the corporation or a date six (6) months after the expiration of the then current term of the governor designating such chairman.

(8) The board of directors shall annually elect one (1) of its members as vice chairman. The board of directors shall also elect or appoint, and prescribe the duties of, such other officers as the board of directors deems necessary or advisable, including an executive director and a secretary, and the board of directors shall fix the compensation of such officers.

(9) The executive director shall administer, manage and direct the affairs and business of the corporation, subject to the policies, control and direction of the board of directors of the corporation. The secretary of the corporation shall keep a record of the proceedings of the corporation and shall be custodian of all books, documents and papers filed with the corporation, the minute book or journal of the corporation and its official seal. The secretary shall have authority to cause copies to be made of all minutes and other records and documents of the corporation and to give certificates under the official seal of the corporation to the effect that such copies are true copies, and all persons dealing with the corporation may rely upon such certificates.

(10) A majority of the board of directors of the corporation shall constitute a quorum for the purposes of conducting its business and exercising its powers and for all other purposes. Such majority shall be determined by excluding any existing vacancies from the total number of directors.

(11) Action shall be taken by the corporation upon a vote of a majority of the directors present at a meeting at which a quorum shall exist called upon three (3) days' written notice to each director or upon the concurrence of at least eight (8) directors.

(12) All directors shall be entitled to their reasonable and necessary expenses actually incurred in discharging their duties under this chapter. Each private director appointed pursuant to subsection (3) of this section shall be entitled to a fee of fifty dollars ($50) for attendance at each meeting of the board of directors.

SB 162, AN ACT relating to reorganization.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 42.013 is amended to read as follows:

(1) The office of the secretary of the finance and administration cabinet which is hereby created shall include a deputy secretary who shall be appointed by the secretary with the approval of the governor. The deputy secretary shall be responsible to and have such authority to sign for the secretary as the secretary designates in writing.

(2) [~~There shall be a general counsel appointed pursuant to KRS 12.210 attached to the office of the secretary to provide legal services for the cabinet. The attorney general on request of the secretary may designate the general counsel as an assistant attorney general pursuant to KRS 15.105.~~

~~(3)~~] The secretary may employ and maintain, subject to the provisions of KRS Chapter 18A, such other supporting staff as he deems necessary to execute the functions, duties, and responsibilities of the cabinet. The secretary may organize the office into such additional administrative units as he deems necessary to perform the functions and fulfill the duties of the cabinet.

(3)[~~(4)~~] All appointments under this chapter to positions not in the classified service shall be made pursuant to KRS 12.050 and such appointees shall be major assistants to the secretary and shall assist in the development of policy.

Section 2. KRS 42.014 is amended to read as follows:

(1) There is established within the cabinet *the office of legal and legislative services, the office of management services, and the office of historic properties, each of which offices shall be headed by an executive director,* the office for policy and management which shall be headed by a deputy secretary, the department for administration which shall be headed by a commissioner, and the department for facilities management which shall be headed by a commissioner, each of whom shall be responsible to the secretary and appointed by the secretary upon the approval of the governor. Each of these offices may have at least one major assistant not in the classified service.

(2) [~~There shall be a division of management services which division is hereby established in the office of the secretary. The division of management services shall be headed by a director appointed by the secretary pursuant to the provisions of KRS 12.050. The division and its director shall have such duties and~~

~~responsibilities as assigned by the secretary and shall be responsible to and report to the secretary.~~

~~(3)~~] The secretary shall establish the internal organization and assignment of functions which are not established by statute, and shall divide the cabinet into such offices, bureaus, divisions or other units as the secretary may deem necessary to perform the functions, powers and duties of the department, subject to the provisions of KRS Chapter 12.

SECTION 3. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO READ AS FOLLOWS:

(1) The office of legal and legislative services of the cabinet established by KRS 42.014 shall be generally responsible for such functions and duties as the secretary may assign relating to the performance of the cabinet's legal services and legislative liaison functions.

(2) There shall be included within the office of legal and legislative services a general counsel, whose appointment shall be made pursuant to KRS 12.210, who shall report to the secretary through the executive director of the office of legal and legislative services. The attorney general, on request of the secretary, may designate attorneys in the office of legal and legislative services as assistant attorneys general as provided in KRS 15.105.

SECTION 4. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO READ AS FOLLOWS:

The office of management services established by KRS 42.014 shall be responsible for the fiscal, personnel, and payroll functions of the cabinet.

SECTION 5. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO READ AS FOLLOWS:

(1) The office of historic properties established by KRS 42.014 shall be responsible for the management of state-owned historic properties including, but not limited to, the executive mansion, old governor's mansion, Vest Lindsey House, Berry Hill, state capitol and Henry Clay law office. In addition, the office shall be responsible for maintaining state-owned furniture, china, silver, art works and the care, display, inventory, conservation, restoration and storage of any state-owned item of historical significance.

(2) The department of parks and the Kentucky horse park may advise and consult the office of historic properties in the operation, maintenance, restoration, conservation and inventory of the state's shrines and museums.

(3) The executive director of the office of historic properties shall serve as state curator pursuant to KRS 11.026. The executive director may employ such personnel and assemble such records and files as are necessary to perform the duties, responsibilities and functions of the office.

Section 6. KRS 15.105 is amended to read as follows:

(1) The attorney general, with the approval of the head of the department or the commission involved shall appoint [~~an~~] assistant *attorneys* [~~attorney~~] general for the transportation cabinet, *the finance and administration cabinet,* [~~for~~] the department of revenue, and for the railroad commission.

(2) The assistant attorneys general and additional attorneys provided for in subsection (1) of this section shall each be a person admitted to the practice of law by the Supreme Court of this Commonwealth and shall qualify by taking the oath of office. They shall be paid out of the appropriation or other funds of the respective department or commission to which they are assigned.

Section 7. The General Assembly confirms Executive Order 83-69 to the extent that it is not otherwise confirmed by this Act.

SB 164, AN ACT relating to the insurance department.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act confirms the reorganization of the insurance department effected by Executive Order 83-74. Such confirmation shall include, the creation of the division of agent licensing and the subdivision of the department into the following divisions and offices:

(1) Division of administrative services
(2) Division of agent licensing
(3) Division of financial standards and examinations
(4) Division of life and health
(5) Division of property and casualty
(6) Division of state risk and insurance services
(7) Office of the general counsel.

SB 165, AN ACT relating to reorganization.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The general assembly confirms the reorganization of agencies and statutory administrative departments affected by executive order 82-560 as follows:

(1) Affecting the transportation cabinet and the justice cabinet. Ratify and confirm that portion of executive order 82-560 transferring the vehicle enforcement branch within the special enforcement division of the state police of the justice cabinet to the transportation cabinet.

(2) The general assembly does not ratify that portion of executive order 82-560 transferring the division of driver licensing from the department of vehicle regulation of the transportation cabinet to the office of the secretary of the justice cabinet.

SB 179, AN ACT relating to reorganization.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The general assembly confirms the reorganization effected by executive order 82-798 as follows:

(1) Affecting the transportation cabinet. Ratify and confirm that portion of executive order 82-798 to continue the responsibility for the statewide motor pool as part of the function of the transportation cabinet.

(2) The general assembly does not ratify that portion of executive order 82-798 establishing the office of contract management as a major subdivision of the transportation cabinet.

SB 180, AN ACT relating to reorganization.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The general assembly confirms the reorganization effected by executive order 82-619 as follows:

(1) Affecting the transportation cabinet. Ratify and confirm executive order 82-619 establishing within the department of vehicle regulation the division of motor enforcement.

SB 414, AN ACT relating to reorganization.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The general assembly confirms executive order 83-553 to the extent that it is not otherwise confirmed by this Act. Such confirmation shall include:

(1) The division of residential services, department of social services, is renamed the division of children's residential services;

(2) The functions of juvenile assessment, placement, case review and coordination are transferred from the division of field services within the department for social services to the division of children's residential services;

(3) The function and responsibility for the operation and supervision of the children treatment services - psychiatric hospitals and reception-diagnostic services provided to emotionally disturbed children as well as other related children's services are transferred to the division of children's residential services from various organizational components within the division of institutional care. Admission and discharge procedures of the various hospital facilities will continue to be governed by KRS Chapter 202A.

The Committee on Appropriations and Revenue reported **SB 19,** with Committee Amendments attached thereto, and **SB 249** with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

The Committee on Appropriations and Revenue reported **SB 205,** **SB 261,** and **SB 287** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the

Calendar.

SB 205, AN ACT relating to the taxation of personal property.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 132.020 is amended to read as follows:

(1) An annual ad valorem tax for state purposes of thirty-one and one-half cents (31-1/2) upon each one hundred dollars ($100) of value of all real property directed to be assessed for taxation, and one and one-half cents (1-1/2) upon each one hundred dollars ($100) of value of all privately-owned leasehold interests in industrial buildings, as defined under KRS 103.200, owned and financed by a tax-exempt governmental unit, or tax-exempt statutory authority under the provisions of KRS Chapter 103 directed to be assessed for taxation, and one and one-half cents (1-1/2) upon each one hundred dollars ($100) of value of all tobacco directed to be assessed for taxation, and twenty-five cents (25) upon each one hundred dollars ($100) of value of all money in hand, shares of stock, notes, bonds, accounts and other credits, whether secured by mortgage, pledge or otherwise, or unsecured, except as otherwise provided in subsection (2) of this section, and one and one-half cents (1-1/2) upon each one hundred dollars ($100) of value of unmanufactured agricultural products, one-tenth of one cent ($.001) upon each one hundred dollars ($100) of value of all farm implements and farm machinery owned by a person actually engaged in farming and used in his farm operations, one-tenth of one cent ($.001) upon each one hundred dollars ($100) of value of all livestock and domestic fowl, one-tenth of one cent ($.001) upon each one hundred dollars ($100) of value of all tangible personal property located in a foreign trade zone as designated under 19 U.S.C. sec. 81, fifteen cents (15) upon machinery and products in course of manufacture, of individuals or corporations actually engaged in manufacturing, and their raw material actually on hand at their plant for the purpose of manufacture, fifteen cents (15) upon commercial radio, television and telephonic equipment directly used or associated with electronic equipment which broadcasts electronic signals to an antenna, fifteen cents (15) upon property which has been certified as a pollution control facility as defined in KRS 224.850, one-tenth of one cent ($.001) upon property which has been certified as an alcohol production facility as defined in KRS 247.910, *twenty-five cents (25) upon each one hundred dollars ($100) of value of motor vehicles qualifying for permanent registration as historic motor vehicles under the provisions of KRS 186.043,* and forty-five cents (45) upon each one hundred dollars ($100) of value of all other property directed to be assessed for taxation shall be paid by the owner or person assessed except as provided in subsection (2) of this section and KRS 132.030, 132.050, 132.200, 136.270, 136.300, 136.320 and other sections providing a different tax rate for particular property.

(2) An annual ad valorem tax for state purposes of one and one-half cents (1-1/2) upon each one hundred dollars ($100) of value shall be paid upon the following classes of intangible personal properties, when such intangible personal properties have not acquired a taxable situs without this state:

(a) Accounts receivable, notes, bonds, credits, nondomestic bank deposits, and any other intangible property rights arising out of or created in the course of regular and continuing business transactions substantially performed outside this state.

(b) Patents, trademarks, copyrights and licensing or royalty agreements, relating thereto.

(c) Shares of capital stock of any affiliated company as defined in subsection (3) of this section and notes, bonds, accounts receivable and all other intercompany intangible personal property due from such company.

(3) "Affiliated company" shall mean a parent corporation or subsidiary corporation, and any corporation principally engaged in business outside the United States in which the owner or the person assessed directly or indirectly owns or controls not less than ten percent (10%) of the outstanding voting stock.

(4) With respect to the intangible properties taxed pursuant to subsection (2) of this section, no other ad valorem tax shall be levied by the state or any county, city, school or other taxing district on such intangible properties, or directly or indirectly against the owner with respect thereto.

(5) Unmined coal and any interest therein, in whatever form held, including, but not limited to, leasehold and royalty interests shall be taxed at the rate of one-tenth of one cent ($.001) per one hundred dollars of assessed value.

(6) Thirty cents (30) of the thirty-one and one-half cents (31-1/2) state tax rate on real property and thirty cents (30) of the forty-five cents (45) state tax on tangible personalty subject to local taxation shall be considered as local school district tax levies for purposes of computing any direct payments of state or federal funds to said districts as replacement for ad valorem taxes lost on property acquired by a governmental agency. Should the equivalency ever be less than thirty cents (30), as certified by the department of education, the direct payments shall be reduced proportionately.

(7) The provisions of subsection (1) of this section notwithstanding, the state tax rate on real property shall be reduced to compensate for any increase in the aggregate assessed value of real property to the extent that such increase exceeds the preceding year's assessment by more than four percent (4%). In any year in which the aggregate assessed value of real property is less than the preceding year, the state rate shall be increased to the extent necessary to produce the approximate amount of revenue that was produced in the preceding year from real property.

(8) By July 1 each year, the department of revenue shall compute the state tax rate applicable to real property for the current year in accordance with the provisions of KRS 132.020(6) and certify the rate to the county clerks for their use in preparing the tax bills. In the event the assessments for all counties have not been certified by July 1, the department shall, when real property assessments of at least seventy-five percent (75%) of the total number of counties of the Commonwealth have been certified, make an estimate of the real property assessments of the uncertified counties and compute the state tax rate.

(9) In the event that the tax rate set by the department as provided in subsection (8) of this section produces more than a four percent (4%) increase in real property tax revenues, the rate shall be adjusted in the succeeding year so that the cumulative total of each year's property tax revenue increase shall not exceed four percent (4%) per year.

(10) An ad valorem tax for state purposes on distilled spirits shall be levied according to the following rate schedule:

Calendar Year	Rate per $100 of Assessed Value
1982	$.225
1983	$.1125
1984 and after	$.001

Section 2. KRS 132.200 is amended to read as follows:

All property subject to taxation for state purposes shall also be subject to taxation in the county, city, school or other taxing district in which it has a taxable situs, except the classes of property described in KRS 132.030 and 132.050, and the following classes of property, which shall be subject to taxation for state purposes only:

(1) Farm implements and farm machinery owned by a person actually engaged in farming and used in his farm operation;

(2) Livestock and domestic fowl;

(3) Capital stock of savings and loan associations;

(4) Machinery and products in course of manufacture, of individuals or corporations actually engaged in manufacturing, and their raw material actually on hand at their plant for the purpose of manufacture. Individuals or corporations actually engaged in the printing, publication and distribution of a newspaper or operating a job printing plant shall be deemed to be actually engaged in manufacturing;

(5) Commercial radio, television and telephonic equipment directly used or associated with electronic equipment which broadcasts electronic signals to an antenna; however, radio or television towers not essential to the production of the wave or signal broadcast shall not be included;

(6) Unmanufactured agricultural products (except that the same shall be exempt from taxation for state purposes to the extent of the value, or amount, of any unpaid nonrecourse loans thereon granted by the United States government or any agency thereof), and except that cities and counties may each impose an ad valorem tax of not exceeding one and one-half cents (1-1/2) on each $100 of the fair cash value of all unmanufactured tobacco and not exceeding four and one-half cents (4-1/2) on each $100 of the fair cash value of all other unmanufactured agricultural products, subject to taxation within their limits that are not actually on hand at the plants of manufacturing concerns for the purpose of manufacture, nor in the hands of the producer or any agent of the producer to whom the products have been conveyed or assigned for the purpose of sale;

(7) Money in hand, notes, bonds, accounts and other credits, whether secured by mortgage, pledge or otherwise, or unsecured, and shares of stock, except that nothing in this section shall forbid local taxation of franchises of corporations or of the shares of banks, trust companies or combined banks and trust companies doing business in this state, or domestic life insurance companies;

(8) All privately-owned leasehold interest in industrial buildings, as defined under KRS 103.200, owned and financed by a tax-exempt governmental unit, or tax-exempt statutory authority under the provisions of KRS Chapter 103;

(9) Property which has been certified as a pollution control facility as defined in KRS 224.850;

(10) Property which has been certified as an alcohol production facility as defined in KRS 247.910;

(11) On and after January 1, 1977, unmined coal and any interest therein, in whatever form held, including, but not limited to, leasehold and royalty interests;

(12) On and after January 1, 1977, the assessed value of unmined coal shall be included in the formula contained in KRS 132.590(2) in determining the amount of county appropriation to the office of the property valuation administrator;

(13) Tangible personal property located in a foreign trade zone as designated under 19 U.S.C. sec.

81;

(14) Motor vehicles qualifying for permanent registration as historic motor vehicles under the provisions of KRS 186.043. However, nothing herein shall be construed to exempt historical motor vehicles from the usage tax imposed by KRS 138.450 based on the vehicle's fair market value at the time of sale.

Section 3. KRS 186.043 is amended to read as follows:

(1) In enacting this section, it is the intention of the general assembly to recognize the special value of historic vehicles to the Commonwealth, and also to recognize that historic vehicles, because of their limited use and easily identifiable characteristics, do not require the same degree of regulation as other vehicles.

(2) As used in this section, unless the context otherwise requires, "Historic Vehicle" shall mean all motor vehicles *thirty (30)* [~~twenty-five (25)~~] years old or older, which are used primarily for exhibition in shows, parades, tours and other special uses, but not for general transportation.

(3) Historic vehicles shall be registered and licensed by the transportation cabinet. Such registration shall be in lieu of registration and license required by KRS 186.020 to 186.270.

(4) Upon payment of a fee of *fifty dollars ($50.00)* [~~twenty-five dollars ($25.00)~~] and an application in accordance with regulations issued by the transportation cabinet, the secretary of the transportation cabinet shall issue a certificate of registration and two (2) special license plates of a different color and design than the regular license plate, which, in the judgment of the secretary of the transportation cabinet, will best advertise, popularize and promote the Commonwealth of Kentucky. These plates, besides the word "Kentucky" shall have the words, "Historic Motor Vehicle" inscribed in a conspicuous manner and carry no year date. These plates shall have a serial number beginning with the number "100" and continue in a consecutive numerical sequence.

(5) The registration license and license plates of historic motor vehicles shall be valid without renewal as long as the vehicle is in existence. If the historic motor vehicle is sold, the registration and license shall be assigned and transferred to the new owner on the records of the transportation cabinet upon receipt of an application in accordance with regulations issued by the cabinet and payment of a fee of two dollars ($2.00).

(6) The secretary of the cabinet may make such reasonable rules and regulations as he deems necessary to further the purpose of this section.

SB 261, AN ACT relating to farm trucks.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 138.655 is amended to read as follows:

As used in KRS 138.655 to 138.725 and 138.990(17) and (18), unless the context requires otherwise:

(1) "Cabinet" means transportation cabinet;

(2) "Person" includes every natural person, fiduciary, association, state or political subdivision, or corporation. Whenever used in any clause describing and imposing imprisonment the term "person" as applied to an association means and includes the partners or members thereof, and as applied to a corporation the officers thereof;

(3) "Public highway" means every way or place generally open to the use of the public as a matter of right for the purpose of vehicular travel notwithstanding that it may be temporarily closed or travel thereon restricted for the purpose of construction, maintenance, repair or reconstruction; also including all city streets, alleys and any way or place on which a toll is charged for using such way or place;

(4) "Motor vehicle" means any vehicle, machine or mechanical contrivance propelled by an internal combustion engine and licensed for operation and operated upon the public highways and any trailer or semitrailer attached to or having its front end supported by such motor vehicle;

(5) "Motor carrier" means every person who operates or causes to be operated on any highway in this state, any bus engaged in hauling passengers for hire operating under a certificate of convenience and necessity and any commercial truck or commercial tractor-trailer combination having a total of three (3) or more axles. The number of axles referred to herein shall include not only those axles on the power unit but if a tractor-trailer combination is involved, also those axles on the trailer or semitrailer;

(a) "Axle" as referred to herein means any two (2) or more load-carrying wheels mounted in a single transverse vertical plane;

(b) "Trailers and semitrailers" are those as defined in subsections (1) and (2) of KRS 186.650, except that it does not include those trailers defined in subsections (3) and (4) of KRS 186.650 and those exempted from regulation under KRS 186.675. The term "motor carrier" shall not mean or shall not include any person operating or causing to be operated a city bus except city buses operated across the border of the state of Kentucky;

(c) Motor carriers registered under KRS 186.050(4)(b) may, at the option of the owner, be exempted from the provisions of KRS 138.660(2) and 138.665.

(d) "Commercial" refers to any activity for business purposes;

(e)[~~(d)~~] For the purposes of KRS 138.660(3), motor carriers, trailers and semitrailers shall not mean a farm vehicle as defined in KRS 186.050(4).

(6) "City bus" means any motor vehicle used for the transportation of persons for hire exclusively within the limits of any city or within ten (10) miles of its limits over a regular route and exclusively within the boundaries of this state;

(7) "Heavy equipment motor carrier" means any person who operates on the public highways of this state as a "motor carrier" as defined in subsection (5) of this section, except that it shall not include motor vehicles used to transport persons for hire;

(8) "Trip permit" means a permit for the operating during a ten (10) consecutive day period of any motor vehicle of any "heavy equipment motor carrier" not licensed under KRS 138.665;

(9) "Licensee" means for purposes of KRS 138.655 to 138.725 any person who has been granted a license as a "motor carrier" or a "heavy equipment motor carrier," or any motor vehicle in which a valid trip permit is carried;

(10) "Use" means the consumption of gasoline and special fuels in propelling motor vehicles on the public highways;

(11) "Gasoline" means gasoline as defined in KRS 138.210 (4);

(12) "Special fuels" means and includes all combustible gases and liquids used for the generation of power in an internal combustion engine to propel vehicles of any kind upon the public highways, except that it does not include gasoline as defined in KRS 138.210 (4);

(13) "Quarterly" for the purposes of KRS 138.655 to 138.725 means a three (3) month period ending June 30 in the year 1956 and each succeeding three (3) month period thereafter; except that for the purposes of the taxes imposed under KRS 138.660(3), "quarterly" shall mean the period beginning July 15, 1982, and ending September 30, 1982 and each succeeding three (3) month period thereafter;

(14) "Combined licensed weight" shall mean the greater of:

(a) The declared combined maximum gross weight of the vehicle and any towed unit for registration purposes for the current registration period; or

(b) The highest actual combined gross weight of the vehicle and any towed unit when operated on the public highways of the state during the current registration period.

SECTION 2. A NEW SECTION OF KRS CHAPTER 138 IS CREATED TO READ AS FOLLOWS:

(1) Any motor carrier granted exemption as provided in KRS 138.655(5)(c) shall be required to file an affidavit and agreement with the department of vehicle regulation.

(2) The affidavit and agreement shall include but not be limited to the following:

(a) Owner of the motor carrier;

(b) Description of the motor carrier;

(c) Weight registration of the motor carrier; and

(d) Cargo being transported is in compliance with the provisions of KRS 186.050(4)(b).

(3) The department of vehicle regulation shall provide the county clerk with necessary forms for application for the affidavit and agreement. Any person qualified to apply for the agreement shall obtain the form from the county clerk and shall remit two hundred fifty dollars ($250) upon completion of the application. Annually thereafter, payment of the two hundred fifty dollars ($250) shall renew the affidavit and agreement, except for any changes in information which might be required by subsection (2) of this section. For services performed the county clerk shall receive from each applicant the sum of two dollars ($2.00) for each affidavit filed pursuant to this section.

(4) The operator of the motor carrier shall be required to carry a copy of the affidavit and agreement at all time while operating the motor carrier.

(5) Any violation of the affidavit and agreement shall be subject to a penalty of not less than one thousand dollars ($1,000) and not more than five thousand dollars ($5,000).

SB 287, AN ACT relating to motor vehicle usage tax.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 138.460 is amended to read as follows:

(1) On and after July 1, 1972 a tax levied upon its retail price at the rate of five percent shall be paid on the use in this state of every motor vehicle, except those exempted by KRS 138.470, at the time and in the manner provided in this section. In the case of trucks of gross weight in excess of ten thousand pounds (10,000 lbs.) the tax shall be levied upon ninety percent of the retail price of the vehicle.

(2) The tax shall be collected by the county clerk or other officer with whom the vehicle is required to

be registered:

(a) When he collects the registration fee for registering and licensing a motor vehicle the first time it is offered for registration in this state,

(b) Or upon the transfer of ownership of any motor vehicle previously registered in this state.

(3) The tax collected by the county clerk under this section shall be reported and remitted to the department of revenue on forms provided by the department and on such forms as the department may prescribe. The county clerk shall for his services in collecting the tax be entitled to retain an amount equal to three percent (3%) of the tax collected and accounted for.

(4) No county clerk or other officer shall register or issue any license tags to the owner of any motor vehicle subject to this tax, when the vehicle is then being offered for registration for the first time, or transfer the ownership of any motor vehicle previously registered in this state, unless the owner or his agent pays the tax levied under this section in addition to the transfer, registration and license fees.

(5) When a resident of this state offers a motor vehicle for registration for the first time in this state which was registered in another state that levied a tax substantially identical to the tax levied under this section, such person shall be entitled to receive a credit against the tax imposed by this section equal to the amount of tax paid to the other state. No credit shall be given under this subsection for taxes paid in another state if that state does not grant similar credit for substantially identical taxes paid in this state.

(6) No county clerk or other officer shall register or issue any license tags to the owner of any motor vehicle subject to this tax, when the vehicle is then being offered for registration for the first time, unless the seller or his agent delivers to the county clerk or other officer a certified or photostat copy of the manufacturer's price label for passenger cars or a certified or photostat copy of the itemized billing to the customer in the case of all other motor vehicles; and the clerk shall attach the certified or photostat copy to the copy of the certificate of registration and ownership mailed to the department.

(7) Notwithstanding the provisions of KRS 138.450(4), in no case shall the tax be less than five dollars ($5.00) upon first registration of or any transfer of ownership of a motor vehicle in this state, except where such vehicle is exempt from tax under KRS 138.470.

(8) Where a [~~new~~] motor vehicle is sold by a dealer in this state and the [~~original~~] purchaser returns the vehicle for any reason to the same dealer within sixty (60) days for a [~~new~~] vehicle replacement or a refund of the purchase price, the purchaser shall be entitled to a refund of the amount of usage tax received by the department of revenue as a result of the registration of the returned vehicle. *In the case of a new motor vehicle,* the registration of the returned vehicle shall be cancelled and the vehicle shall be considered to have not been previously registered in Kentucky when resold by the dealer.

(9) When a manufacturer refunds the retail purchase price or replaces a new motor vehicle for the original purchaser within ninety (90) days because of malfunction or defect, the purchaser shall be entitled to a refund of the amount of motor vehicle usage tax received by the department of revenue as a result of the first registration. No person shall be entitled to a refund unless he shall have filed with the department of revenue an affidavit from the manufacturer identifying the vehicle that was replaced and stating the date of replacement.

(10) Notwithstanding the time limitations of subsections (8) and (9) of this section, when a manufacturer refunds the retail purchase price or replaces a new motor vehicle for the original purchaser because ordered to do so by a dispute resolution system established under KRS 367.865 or 16 C.F.R. 703, the purchaser shall be entitled to a refund of the amount of motor vehicle usage tax received by the department of revenue as a result of the first registration. No person shall be entitled to a refund unless he shall have filed with the department of revenue an affidavit from the manufacturer identifying the vehicle that was replaced.

The Committee on Education reported **SB 204** with Committee Amendment attached thereto, **SB 223** with Committee Amendments attached thereto, and **SB 379** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 204, AN ACT relating to limited contracts for teachers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 161.750 is amended to read as follows:

(1) Any teacher employed under a limited contract shall at the expiration of such limited contract be deemed re-employed under the provisions of KRS 161.720 to 161.810 for the succeeding school year at the same salary plus any increment or decrease as provided by the salary schedule, unless the superintendent of schools has recommended to the board of education that the contract of the teacher not be renewed and unless the board has voted to approve said recommendation.

(2) If the board of education approves the superintendent's recommendation, as provided in subsection (1) of this section, the board must present written notice to the teacher that the contract will not be renewed no later than *May 31* [~~April 30~~] of the school year during which the contract is in effect. Upon receipt of a request by the teacher, the board shall provide a written statement containing the specific, detailed and complete statement of grounds upon which the nonrewal of contract is based.

(3) Upon failure of the employing board of education to act favorably on the recommendation of the superintendent not to renew a contract as required by subsection (1) of this section, to give written notice of said nonrenewal as required by subsection (2) of this section or to provide the written statement of grounds required by subsection (2) of this section the teacher shall receive a contract of employment for the next school year; and, if the teacher has served the number of years as required by KRS 161.740(1)(b) or (c), said contract of employment shall be a continuing contract. Such teacher shall be presumed to have accepted such employment, unless he shall notify the board of education in writing to the contrary on or before the fifteenth day of June, and a written contract for the succeeding year shall be executed accordingly.

The Committee Amendment No. 1 to **SB 204** is as follows:

Amend printed copy of **SB 204** on page 2, after line 16, by adding the following:

"Section 2. KRS 158.060 is amended to read as follows:

Twenty (20) school days, or days in which teachers are actually employed in the schoolroom, shall constitute a school month in the common schools. The legal holidays designated by the state board *of* [~~for elementary and secondary~~] education to be observed may include the first Tuesday after the first Monday in November of each year and shall be counted as school days. No teacher shall teach on Saturdays except in cases of emergency and then only upon authorization of the state board *of* [~~for elementary and secondary~~] education. *For each six (6) hours of classroom teaching per day, each teacher shall be provided with a duty-free lunch period of not less than thirty (30) minutes.* Except for children attending kindergarten, readiness classes, first grade classes, and the handicapped, who may attend a program of less than six (6) hours per day under policy adopted by the local school district board of education and approved by the state board *of* [~~for elementary and secondary~~] education, six (6) hours of actual school work shall constitute a school day. The daily session, including recesses and intermissions, shall not exceed nine (9) hours. A local board of education, with the approval of the state board *of* [~~for elementary and secondary~~] education, may extend the regular school day, when necessary, to make up days missed as a result of emergency, providing that the extended school day shall not exceed nine (9) hours. If a school district has adopted an extended school day before such emergency, the time in excess of the minimum school day may, with the approval of the state board *of* [~~for elementary and secondary~~] education, be used to make up days missed as a result of emergency.

SB 223, AN ACT relating to boards of education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 160.180 is amended to read as follows:

(1) No person shall be eligible to membership on a board of education:

(a) Unless he has attained the age of twenty-four (24) years; and

(b) Unless he has been a citizen of Kentucky for at least three (3) years preceding his election and is a voter of the district for which he is elected; and

(c) Unless he has *been awarded a high school diploma* [~~completed at least the eighth grade in the common schools~~] as shown by the records of the school in which the *diploma was awarded* [~~eighth grade was completed~~] or by affidavits of the teacher or teachers under whom the work was completed, or unless he has the equivalent of *a high school diploma* [~~an eighth grade education~~] as determined by an examination held under rules and regulations adopted by the state board of education. *Board members serving on July 14, 1984 and who continue to serve without a break in service shall be eligible for membership with an eighth grade education or its equivalent*; or

(d) Who holds a state office requiring the constitutional oath or is a member of the general assembly; or

(e) Who holds or discharges the duties of any civil or political office, deputyship or agency under the city or county of his residence; or

(f) Who, at the time of his election, is directly or indirectly interested in the sale to the board of books, stationery or any other property, materials, supplies, equipment or services for which school funds are expended; or

(g) Who has been removed from membership on a board of education for cause.

(2) If, after the election of any member of the board, he becomes interested in any contract with or claims against the board, of the kind mentioned in paragraph (f) of subsection (1) of this section, or becomes a candidate for nomination or election to any office or agency the holding and the discharging of the duties of which would have rendered him ineligible before election, or if he moves his residence from the district for which he was chosen, or if he does anything that would render him ineligible for re-election, he shall be subject to removal from office pursuant to KRS 415.050 and 415.060.

(3) A board member shall be eligible for re-election unless he becomes disqualified.

(4) No member of a board of education shall cast a vote regarding the appointment or employment in any capacity of any person related to him as father, mother, brother, sister, husband, wife, son, daughter, nephew, niece, aunt, uncle, son-in-law, daughter-in-law or first cousin, except when the majority vote of the remainder of the board is in the affirmative regarding the appointment or employment of such person.

Section 2. KRS 121.100 is amended to read as follows:

(1) The provisions of KRS 121.015, 121.100 to 121.200, and 121.990 shall apply to all candidates running for public office, including urban-county governments and *all* boards of education [~~that have jurisdiction over annual budgets exceeding $50,000,000~~], in any primary or general election, or in any special election to fill a vacancy.[~~, except~~]

(2) The provisions of subsection (1) of this section shall not apply to those candidates running for federal office, [~~boards of education that have jurisdiction over annual budgets of $50,000,000 or less,~~] county and local district offices filled by less than a countywide constituency, including conservation district offices, and offices in cities of the third, fourth, fifth and sixth classes.

(3) [~~However, the~~] *The provisions of subsection (2) of this section shall not apply to candidates running for boards of education of independent school districts.*

(4) The provisions of KRS 121.190 shall apply to all candidates for public office.

The Committee Amendment No. 1 to **SB 223** is as follows:

Amend printed copy of **SB 223** on page 3, after line 9, by inserting the following:

"*(5) All local school board members shall complete at least fifteen (15) hours of in-service training annually. The state board of education shall identify the criteria for fulfilling this requirement.*"

The Committee Amendment No. 2 to **SB 223** is as follows:

Amend printed copy of **SB 223** on page 4, after line 5, by adding the following:

"Section 3. KRS 158.060 is amended to read as follows:

Twenty (20) school days, or days in which teachers are actually employed in the schoolroom, shall constitute a school month in the common schools. The legal holidays designated by the state board *of* [~~for elementary and secondary~~] education to be observed may include the first Tuesday after the first Monday in November of each year and shall be counted as school days. No teacher shall teach on Saturdays except in cases of emergency and then only upon authorization of the state board *of* [~~for elementary and secondary~~] education. *For each six (6) hours of classroom teaching per day, each teacher shall be provided with a duty-free lunch period of not less than thirty (30) minutes.* Except for children attending kindergarten, readiness classes, first grade classes, and the handicapped, who may attend a program of less than six (6) hours per day under policy adopted by the local school district board of education and approved by the state board *of* [~~for elementary and secondary~~] education, six (6) hours of actual school work shall constitute a school day. The daily session, including recesses and intermissions, shall not exceed nine (9) hours. A local board of education, with the approval of the state *of* [~~board for elementary and secondary~~] education, may extend the regular school day, when necessary, to make up days missed as a result of emergency, providing that the extended school day shall not exceed nine (9) hours. If a school district has adopted an extended school day before such emergency, the time in excess of the minimum school day may, with the approval of the state board *of* [~~for elementary and secondary~~] education, be used to make up days missed as a result of emergency."

The Committee Title Amendment to **SB 223** is as follows:

Amend printed copy of **SB 223** on page 1, by deleting the title and inserting in lieu thereof: "AN ACT relating to education."

SB 379, AN ACT relating to education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 157.315 is amended to read as follows:

[~~(1)~~] Upon the recommendation of the superintendent of public instruction, the state board of education shall adopt regulations defining and prescribing the criteria for kindergartens in the common schools.

[~~(2) Any child who meets the minimum age requirements established by KRS 158.030 for first grade attendance but who is less than seven (7) years of age and has not previously attended kindergarten shall be eligible to attend kindergarten if, in the judgment of school officials and the consent of the parent or guardian, the child would benefit more from kindergarten instruction than from first grade instruction.~~]

Section 2. KRS 157.320 is amended to read as follows:

As used in KRS 157.310 to 157.440, unless the context otherwise requires:

(1) "Average daily attendance" means the aggregate days attended by pupils in a public school, divided by the actual number of days the school is in session;

(2) "Board" means the board of education of any county or independent school district;

(3) "Classroom unit" means the unit for measuring educational needs for foundation program purposes;

(4) "District" means any school district as defined by law;

(5) "Elementary school" means a school consisting of grades kindergarten through eight (8), or any appropriate combination of grades within this range, as determined by the plan of organization for schools authorized by the district board;

(6) "Foundation program" means the level of educational services and facilities, as defined in KRS 157.310 to 157.440, which is to be provided in each district from the public school foundation program fund;

(7) *"Kindergarten full-time equivalent pupil in average daily attendance" means each kindergarten pupil counted no more than one-half (1/2) day or one-half (1/2) year, in the aggregate days attended by kindergarten pupils in a public school divided by the actual number of days school is in session* [~~"Isolated school" means an elementary or secondary school which had fewer than one hundred (100) pupils in average daily attendance during the previous school year and which meets such standards for isolation as shall be prescribed by the regulations of the state board of education, based on factors to include distance by the nearest passable road from another appropriate school center which is able to receive the pupils, and the time for transportation necessary to attend another school~~];

(8) "Public school foundation program fund" means the fund created by KRS 157.330 for use in financing education in public elementary and secondary schools;

(9) "Kentucky administrative regulations of the state board of education" means those regulations which the state board of education may adopt upon the recommendation and with the advice of the superintendent of public instruction. The superintendent of public instruction shall recommend for adoption by the state board of education such rules and regulations as he deems necessary for carrying out the purposes of KRS 157.310 to 157.440;

(10) "Salary schedule summary" means the summary of all salaries paid teachers by the board from the single salary schedule. Teachers shall be grouped by training and experience and by source of funds;

(11) "Secondary school" means a school consisting of grades seven (7) through twelve (12), or any appropriate combination of grades within this range as determined by the plan of organization for schools authorized by the district board. When grades seven (7) through nine (9) or ten (10) are organized separately as a junior high school, or grades ten (10) through twelve (12) are organized separately as a senior high school and are conducted in separate school plant facilities, each shall be considered a separate secondary school for the purposes of KRS 157.310 to 157.440;

(12) "Single salary schedule" means a schedule adopted by a local board from which all teachers are paid for one hundred eighty-five (185) days and is based on training, experience and such other factors as the state board of education may approve and which does not discriminate between salaries paid elementary and secondary teachers;

(13) "Teacher" means any regular or special teacher, principal, supervisor, superintendent, assistant superintendent, librarian, director of pupil personnel, or other member of the teaching or professional staff engaged in the service of the public elementary and secondary school for whom certification is required as a condition of employment;

(14) "Percentage of attendance" means the aggregate days attended by pupils in a public school for the school year divided by the aggregate days membership of pupils in a public school for the school year.

Section 3. KRS 157.360 is amended to read as follows:

(1) In determining the cost of the foundation program for each district, the superintendent of public instruction shall allot to each district classroom units for elementary and secondary schools, classroom units for vocational education, classroom units for exceptional children, [~~classroom units for kindergarten,~~] classroom units for gifted and talented children when units are included in the executive budget, classroom

units for superintendents, administrative and special instructional services, classroom units for supervisors of instruction, and classroom units for directors of pupil personnel; provided, however, that the number of classroom units allotted any district shall not exceed the number of teachers employed by the district.

(2) (a) In allotting classroom units for elementary and secondary schools, one (1) classroom unit shall be included for each*:*

1. Twenty (20) kindergarten full-time equivalent pupils in average daily attendance;

2. Twenty-five (25) pupils in average daily attendance in grades one (1) through three (3);

3. Twenty-seven (27) pupils in average daily attendance in grades *four (4)* [~~one (1)~~] through twelve (12), *after nine and six-tenths (9.6) average daily attendance is deducted for each unit allotted the school district under subsection (5) of this section and seven and two-tenths (7.2) average daily attendance is deducted for each unit allotted the school district under subsection (6) of this section. The average daily attendance of any exceptional child not assigned to a specific grade shall be added to the average daily attendance of grades four (4) through twelve (12) before classroom units are allotted under this subparagraph* [~~; provided, however, that one (1) classroom unit shall be included for each isolated one-teacher school with twelve (12) or more pupils in average daily attendance and one (1) unit shall be included for each twenty-five (25) pupils in average daily attendance at all other isolated schools~~]. The allotments of classroom units in this *paragraph* [~~subsection~~] shall be made on the average daily attendance for the end of the previous school year in public school grades *kindergarten* [~~one (1)~~] through twelve (12) *except as provided in paragraphs (b) and (c) of this subsection* [~~after the following deductions:~~

~~1. An average daily attendance of six and nine-tenths (6.9) in 1978-79 and eight and four-tenths (8.4) in 1979-80 shall be deducted for each vocational unit allotted; and~~

~~2. An average daily attendance of five and one-tenth (5.1) in 1978-79 and six and three-tenths (6.3) in 1979-80 shall be deducted for each exceptional children's unit allotted~~].

(b) If a local school district through its admission and release committee determines that an appropriate program in the least restrictive environment for a particular handicapped child includes either part-time or full-time enrollment with a private school or agency within the state or a public or private agency in another state, then the school district shall count this as average daily attendance in a public school the time that such child is in attendance at such school or agency, contingent upon approval by the state superintendent of public instruction and pursuant to KRS 158.130.

(c) Pupils attending a center for child learning and study established under an agreement pursuant to KRS 65.210 through 65.300 shall, for the purpose of calculating average daily attendance, be considered as in attendance in the school district in which the child legally resides and which is party to the agreement. For purposes of KRS 157.360(1), teachers employed in such a center shall be considered as employes of each school district which is a party to the agreement.

(3) Allotments of classroom units except those allotted in accordance with subsection (4) of this section, shall be increased when the average daily attendance in *kindergarten and* grades one (1) through twelve (12) in any district for the first two (2) months of the current school year is greater than the average daily attendance of the district in *kindergarten and* grades one (1) through twelve (12) for the first two (2) months of the previous school year. The total number of classroom units allotted the district shall be increased by the percent of increase. *The average daily attendance in kindergarten is the kindergarten full-time equivalent pupils in average daily attendance.*

(4) If the percentage of attendance of any school district shall have been reduced more than two percent (2%) during the previous school year, the number of classroom units allotted the district, except those allotted in accordance with subsection (3) of this section, for the current school year shall be increased by the difference in the percentage of attendance for the two (2) years immediately prior to the current school year less two percent (2%).

(5) In allotting classroom units for vocational education, one (1) classroom unit shall be allotted for each full-time teacher, and a proportionate fraction of a classroom unit shall be allotted for each less than full-time teacher of vocational classes that meet the regulations of the state plan of vocational education as approved by the state board of education; a proportionate fraction of a classroom unit shall be allotted for each teacher employed to teach part-time or short unit classes for less than a school day or a school year that meet the regulations of the state plan of vocational education as approved by the state board of education. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without approval of the governor.

(6) (a) In allotting classroom units for exceptional children, one (1) classroom unit shall be included upon the employment of each teacher approved to teach such children in accordance with the provisions of law and Kentucky administrative regulations of the state board of education. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without approval of the governor. In addition to the classroom units allotted above, if a local school district, through its admission and release committee, determines that the most appropriate and least restrictive individual educational program for a particular handicapped child includes either part-time or full-time enrollment with a private school or agency, the school district shall be reimbursed in addition to the amount distributed under KRS

157.390(6), a pro rata allotment for those pupils under contract. The pro rata amount shall be calculated by dividing the district's average salary allotted for 185 days plus the current expense and capital outlay allotment per classroom unit by the maximum number of pupils required by regulations for the pupil's specific type of classroom unit.

(b) The superintendent of public instruction shall limit approval of additional private agencies for participation in state funding for the above cited program to those funds appropriated for this purpose in each biennial budget.

(7) [~~(a)~~] In allotting classroom units for administrative and special instructional services, the total number of classroom units allotted in subsections (2), *(5), (6)* [~~(10)~~] and *(11) of this section* [~~(12) plus subsections (5) and (6) before July 1, 1976~~] shall be divided by *nine (9)* [~~eight (8)~~] and the quotient shall be the number of classroom units allotted to the district under this subsection.

[~~(b) The total number of units allotted under subsection (5) beyond those allotted in the school year 1975-76 times six and nine-tenths (6.9) in 1978-79 and eight and four-tenths (8.4) in 1979-80 average daily attendance plus the total number of units allotted under subsection (6) beyond those allotted in the school year 1975-76 times five and one-tenth (5.1) in 1978-79 and six and three-tenths (6.3) in 1979-80 average daily attendance shall be divided by two hundred and sixteen (216) and the quotient shall be the number of classroom units allotted to the district under this subsection.~~

~~(c) The total of subsection (a) plus subsection (b) shall be the number of classroom units allotted the district for administrative and special instructional services as authorized by Kentucky administrative regulations of the state board of education.~~]

(8) In allotting classroom units for supervisors of instruction, one-half (1/2) of a classroom unit shall be allotted each district which is allotted twenty-five (25) through forty-nine and nine-tenths (49.9) classroom units under subsections (2), (5) *and* [~~,~~] (6) *of this section* [~~, (10) and (12)~~]; one (1) unit shall be allotted each district which is allotted fifty (50) to one hundred (100) classroom units, one (1) unit shall be allotted for each one hundred (100) classroom units, or major fraction thereof, in districts allotted more than one hundred (100) classroom units under these subsections.

(9) In allotting classroom units for directors of pupil personnel, one (1) classroom unit shall be allotted each district which is allotted thirty-six (36) to one hundred and sixty-five and nine-tenths (165.9) classroom units under subsection (2) *of this section* and a unit for each additional two hundred and sixty-six (266) classroom units or fraction thereof allotted under subsection (2) *of this section.* For districts having fewer than thirty-six (36) classroom units, a proportionate fraction of a classroom unit shall be allotted.

(10) [~~In allotting classroom units for kindergarten, the superintendent of public instruction, under Kentucky administrative regulations of the state board of education, may allot units for kindergarten. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without approval of the governor.~~

~~(11)~~] In allotting classroom units for superintendent, one unit shall be allotted each school district.

(11)[~~(12)~~] In allotting classroom units for gifted and talented children, the superintendent of public instruction, under Kentucky administrative regulations of the state board of education, may allot units for gifted and talented children. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without the approval of the governor.

Section 4. KRS 157.390 is amended to read as follows:

(1) (a) The superintendent of public instruction, under Kentucky administrative regulations of the state board of education, shall classify teachers in rank as follows:

Rank I. Those holding regular certificates and who have a master's degree in a subject field approved by the state board of education or equivalent preparation and who have earned thirty (30) semester hours of approved graduate work or its equivalent, and those teachers who, as of September 1, 1962, were included in Rank I, having earned twenty-four (24) semester hours of additional approved graduate work.

Rank II. Those holding regular certificates and who have a master's degree in a subject field approved by the state board of education or equivalent preparation.

Rank III. Those holding regular certificates and who have an approved four-year college degree or the equivalent.

Rank IV. Those holding certificates and who have ninety-six (96) to one hundred twenty-eight (128) semester hours of approved college training or the equivalent; provided, however, that persons holding emergency certificates shall not be classified higher than this rank for calculation of the amount to be included in the foundation program.

Rank V. Those holding certificates and who have sixty-four (64) to ninety-five (95) semester hours of approved college training or the equivalent.

(b) In determining ranks, the superintendent of public instruction, under Kentucky administrative regulations of the state board of education, shall classify teachers who hold valid certificates in the respective ranks according to approved college semester hours of credit. The superintendent of public instruction, in defining preparation for certain types of vocational teachers as equivalent to college training, shall give consideration to apprenticeship training and industrial experience.

(c) Nothing in this subsection shall allow the state board of education by regulation to reclassify downward any teachers currently in Ranks I or II.

(2) [~~(a)~~] The amount to be included in each school year in the foundation program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the biennial budget schedule for each rank and experience for a term of one hundred eighty-five (185) days. Provided, the amount to be included for units allotted under KRS 157.360(5), (7), (8), (9) and *(10)*[~~(11)~~] shall be increased proportionately if the personnel for such units are employed for longer than the regular school term and such employment is approved by the superintendent of public instruction under Kentucky administrative regulations of the [~~appropriate~~] state board. Where the actual number of teachers employed by the district varies from the number allowed under the provisions of KRS 157.310 to 157.440, the number to be included in each rank shall be in the same ratio that the number of teachers actually in each rank is to the total number of teachers employed.

[~~(b) The state board of education with the recommendation of the superintendent of public instruction, may designate local school districts as experimental districts for the utilization as classroom units para-professionals and teacher aides under KRS 157.360(2). In experimental districts, foundation program fund calculations shall include, with respect to one or more schools in the district, an amount for para-professionals and teacher aides. This amount may be equal to a maximum of fifty percent (50%) of the amount included for a teacher in Rank III with no experience but may not exceed the salary paid the para-professional or teacher aide, multiplied by the number of approved para-professionals and teacher aides employed in the designated school or schools.~~

~~(c) Such amounts may be included only for those who are not in sole and principal charge of a class. No district may receive foundation program funds for such number of para-professionals and teacher aides referred to in paragraph (b) of this subsection as exceeds one-half (1/2) the number of certificated teachers in the designated school or schools.~~

~~(d) In the calculation of classroom units for the purpose of allocation of teachers' salaries only, the state board of education may use a ratio greater than twenty-seven (27) to one (1) for such calculations regarding the experimental districts designated pursuant to paragraph (b) of this subsection.~~]

(3) The amount to be included in the foundation program for other current expenses shall be determined by multiplying the number of classroom units by the amounts set forth in the biennial budget.

(4) The amount to be included in the foundation program for capital outlay shall be determined by multiplying the number of classroom units by the amounts set forth in the biennial budget.

(5) The amount to be included in the foundation program of each district for transportation shall be determined by multiplying the aggregate attendance of transported children by the allowable cost per pupil per day for that district determined in accordance with the provisions of KRS 157.370.

(6) The total amount of money distributable to each district from the public school foundation program fund shall be the sum of the allotments in subsections (2), (3), (4) and (5) of this section.

Section 5. KRS 158.030 is amended to read as follows:

(1) A "common school" is an elementary or secondary school of the state supported in whole or in part by public taxation. No school shall be deemed a "common school" or receive support from public taxation unless the school is taught by a qualified teacher for a term of eight (8) or more months during the school year and every child residing in the district who satisfies the age requirements of this section has had the privilege of attending it. Provided, however, that any child who is six (6) years of age or who may become six (6) years of age by October 1, [~~1979, and any year thereafter,~~] shall attend public school as provided by KRS 157.315 or qualify for an exemption as provided by KRS 159.030. Any child who is five (5) years of age or who may become five (5) years of age by October 1, [~~1979, and any year thereafter,~~] may enter a public school kindergarten. Any child who has successfully completed kindergarten and shall be six (6) years of age by *October 1* [~~December 31, 1980~~] shall be eligible for enrollment in the first grade notwithstanding any other age requirements of this section[~~, and any child who has attended nursery school and will be five (5) years of age on or before December 31, 1980 shall be eligible for enrollment in a public kindergarten program in the 1981-82 school year and in the first grade during the 1982-83 school year~~].

(2) Notwithstanding any statute to the contrary, effective July 1, 1986 and any year thereafter, successful completion of kindergarten shall be a prerequisite for a child's entrance into first grade. The state board of education shall establish, by regulation, methods of verifying successful completion of kindergarten and extenuating circumstances for which waiver of the above prerequisite may be granted.

Section 6. KRS 158.100 is amended to read as follows:

(1) Each [~~county~~] school district shall provide at least an approved twelve (12) grade school service. An approved eight (8) grade service for all pupils residing in the district shall be provided by maintaining the schools. An approved high school service for all children of high school grade under twenty-one (21) years of age residing in the district shall be provided either by maintaining the schools within the county or by contract with another district.

(2) *Notwithstanding any statute to the contrary, effective July 1, 1985, and every year thereafter,* each [~~independent~~] school district shall provide at least an approved *kindergarten through* twelve (12) grade

school service. An approved *kindergarten through* eight (8) grade school service shall be provided for the children residing in the district by maintaining schools. An approved high school service for all children of high school grade under twenty-one (21) years of age residing in the district shall be provided either by maintaining the schools within the district or by contract with another district [~~in the county~~].

Section 7. KRS 159.020 is amended to read as follows:

Any parent, guardian or other person having in custody or charge any child between the ages of *six (6)* [~~seven (7)~~] and sixteen (16) who removes the child from a school district during the school term shall enroll the child in a regular public day school in the district to which the child is removed, and the child shall attend school in the district to which he is removed for the full term provided by that district.

Section 8. KRS 159.250 is amended to read as follows:

The director of pupil personnel of each school district, working under the direction of the superintendent of schools, shall institute and maintain a complete, accurate, permanent and continuous census of all children between the ages of *five (5)* [~~six (6)~~] and eighteen (18) that reside in the school district. A child's age is between *five (5)* [~~six (6)~~] and eighteen (18) when the child has reached his *fifth* [~~sixth~~] birthday and has not passed the eighteenth birthday. The school census shall specify the name, date of birth and sex of each child; the name, nationality, occupation and post office address of each parent, guardian or custodian of the child; the school district in which the child resides; and the school to which the child belongs. The school shall be described by number and name. The census shall contain any other data required by the superintendent of public instruction. Each board of education shall furnish its director of pupil personnel with such assistance as it deems necessary for the institution and maintenance of the census.

Section 9. KRS 159.260 is amended to read as follows:

The director of pupil personnel of each school district shall, on or before June 1 each year, prepare a report showing the number of children residing in the school district or districts that he serves who will, on July 1 following, be between the ages of *five (5)* [~~six (6)~~] and eighteen (18) years. The report shall list the children according to the schools to which they belong in each school district. The report shall be made on forms furnished by the state board of education and shall contain any other information required by the superintendent of public instruction. It shall be sworn to before a notary public as being a correct statement as shown by the census on file in the office of the director of pupil personnel. The original and a duplicate copy of the report shall be filed with the district board of education. The board shall mail the original to the superintendent of public instruction and retain the copy in its office.

Section 10. The following KRS section is repealed:

157A.100 Determination of local tax effort.

The Committee Substitute to **SB 379** is as follows:

SB 379, AN ACT relating to education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 157.315 is amended to read as follows:

(1) Upon the recommendation of the superintendent of public instruction, the state board of education shall adopt regulations defining and prescribing the criteria for kindergartens in the common schools.

(2) Any child who meets the minimum age requirements established by KRS 158.030 for first grade attendance but who is less than seven (7) years of age and has not previously attended kindergarten shall be eligible to attend kindergarten if, in the judgment of school officials and the consent of the parent or guardian, the child would benefit more from kindergarten instruction than from first grade instruction.

Section 2. KRS 157.320 is amended to read as follows:

As used in KRS 157.310 to 157.440, unless the context otherwise requires:

(1) "Average daily attendance" means the aggregate days attended by pupils in a public school, divided by the actual number of days the school is in session;

(2) "Board" means the board of education of any county or independent school district;

(3) "Classroom unit" means the unit for measuring educational needs for foundation program purposes;

(4) "District" means any school district as defined by law;

(5) "Elementary school" means a school consisting of grades kindergarten through eight (8), or any appropriate combination of grades within this range, as determined by the plan of organization for schools authorized by the district board;

(6) "Foundation program" means the level of educational services and facilities, as defined in KRS 157.310 to 157.440, which is to be provided in each district from the public school foundation program fund;

(7) *"Kindergarten full-time equivalent pupil in average daily attendance" means each kindergarten pupil counted no more than one-half (1/2) day or one-half (1/2) year, in the aggregate days attended by kindergarten pupils in a public school divided by the actual number of days school is in session* [~~"Isolated school" means an elementary or secondary school which had fewer than one hundred (100) pupils in average daily attendance during the previous school year and which meets such standards for isolation as shall be prescribed by the regulations of the state board of education, based on factors to include distance by the nearest passable road from another appropriate school center which is able to receive the pupils, and the time for transportation necessary to attend another school~~];

(8) "Public school foundation program fund" means the fund created by KRS 157.330 for use in financing education in public elementary and secondary schools;

(9) "Kentucky administrative regulations of the state board of education" means those regulations which the state board of education may adopt upon the recommendation and with the advice of the superintendent of public instruction. The superintendent of public instruction shall recommend for adoption by the state board of education such rules and regulations as he deems necessary for carrying out the purposes of KRS 157.310 to 157.440;

(10) "Salary schedule summary" means the summary of all salaries paid teachers by the board from the single salary schedule. Teachers shall be grouped by training and experience and by source of funds;

(11) "Secondary school" means a school consisting of grades seven (7) through twelve (12), or any appropriate combination of grades within this range as determined by the plan of organization for schools authorized by the district board. When grades seven (7) through nine (9) or ten (10) are organized separately as a junior high school, or grades ten (10) through twelve (12) are organized separately as a senior high school and are conducted in separate school plant facilities, each shall be considered a separate secondary school for the purposes of KRS 157.310 to 157.440;

(12) "Single salary schedule" means a schedule adopted by a local board from which all teachers are paid for one hundred eighty-five (185) days and is based on training, experience and such other factors as the state board of education may approve and which does not discriminate between salaries paid elementary and secondary teachers;

(13) "Teacher" means any regular or special teacher, principal, supervisor, superintendent, assistant superintendent, librarian, director of pupil personnel, or other member of the teaching or professional staff engaged in the service of the public elementary and secondary school for whom certification is required as a condition of employment;

(14) "Percentage of attendance" means the aggregate days attended by pupils in a public school for the school year divided by the aggregate days membership of pupils in a public school for the school year.

Section 3. KRS 157.360 is amended to read as follows:

(1) In determining the cost of the foundation program for each district, the superintendent of public instruction shall allot to each district classroom units for elementary and secondary schools, classroom units for vocational education, classroom units for exceptional children, [~~classroom units for kindergarten,~~] classroom units for gifted and talented children when units are included in the executive budget, classroom units for superintendents, administrative and special instructional services, classroom units for supervisors of instruction, and classroom units for directors of pupil personnel; provided, however, that the number of classroom units allotted any district shall not exceed the number of teachers employed by the district.

(2) (a) In allotting classroom units for elementary and secondary schools, one (1) classroom unit shall be included for each*:*

1. Twenty-five (25) kindergarten full-time equivalent pupils in average daily attendance;

2. Twenty-five (25) pupils in average daily attendance in grades one (1) through three (3);

3. Twenty-seven (27) pupils in average daily attendance in grades *four (4)* [~~one (1)~~] through twelve (12)*, after nine and six-tenths (9.6) average daily attendance is deducted for each unit allotted the school district under subsection (5) of this section and seven and two-tenths (7.2) average daily attendance is deducted for each unit allotted the school district under subsection (6) of this section. The average daily attendance of any exceptional child not assigned to a specific grade shall be added to the average daily attendance of grades four (4) through twelve (12) before classroom units are allotted under this subparagraph* [~~; provided, however, that one (1) classroom unit shall be included for each isolated one-teacher school with twelve (12) or more pupils in average daily attendance and one (1) unit shall be included for each twenty-five (25) pupils in average daily attendance at all other isolated schools~~]. The allotments of classroom units in this *paragraph* [~~subsection~~] shall be made on the average daily attendance for the end of the previous school year in public school grades *kindergarten* [~~one (1)~~] through twelve (12) *except as provided in paragraphs (b) and (c) of this subsection* [~~after the following deductions:~~

~~1. An average daily attendance of six and nine-tenths (6.9) in 1978-79 and eight and four-tenths (8.4) in 1979-80 shall be deducted for each vocational unit allotted; and~~

~~2. An average daily attendance of five and one-tenth (5.1) in 1978-79 and six and three-tenths (6.3) in 1979-80 shall be deducted for each exceptional children's unit allotted~~].

(b) If a local school district through its admission and release committee determines that an appropriate program in the least restrictive environment for a particular handicapped child includes either part-time or full-time enrollment with a private school or agency within the state or a public or private agency in another state, then the school district shall count this as average daily attendance in a public school the time that such child is in attendance at such school or agency, contingent upon approval by the state superintendent of public instruction and pursuant to KRS 158.130.

(c) Pupils attending a center for child learning and study established under an agreement pursuant to KRS 65.210 through 65.300 shall, for the purpose of calculating average daily attendance, be considered as in attendance in the school district in which the child legally resides and which is party to the agreement. For purposes of KRS 157.360(1), teachers employed in such a center shall be considered as employes of each school district which is a party to the agreement.

(3) Allotments of classroom units except those allotted in accordance with subsection (4) of this section, shall be increased when the average daily attendance in *kindergarten and* grades one (1) through twelve (12) in any district for the first two (2) months of the current school year is greater than the average daily attendance of the district in *kindergarten and* grades one (1) through twelve (12) for the first two (2) months of the previous school year. The total number of classroom units allotted the district shall be increased by the percent of increase. *The average daily attendance in kindergarten is the kindergarten full-time equivalent pupils in average daily attendance.*

(4) If the percentage of attendance of any school district shall have been reduced more than two percent (2%) during the previous school year, the number of classroom units allotted the district, except those allotted in accordance with subsection (3) of this section, for the current school year shall be increased by the difference in the percentage of attendance for the two (2) years immediately prior to the current school year less two percent (2%).

(5) In allotting classroom units for vocational education, one (1) classroom unit shall be allotted for each full-time teacher, and a proportionate fraction of a classroom unit shall be allotted for each less than full-time teacher of vocational classes that meet the regulations of the state plan of vocational education as approved by the state board of education; a proportionate fraction of a classroom unit shall be allotted for each teacher employed to teach part-time or short unit classes for less than a school day or a school year that meet the regulations of the state plan of vocational education as approved by the state board of education. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without approval of the governor.

(6) (a) In allotting classroom units for exceptional children, one (1) classroom unit shall be included upon the employment of each teacher approved to teach such children in accordance with the provisions of law and Kentucky administrative regulations of the state board of education. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without approval of the governor. In addition to the classroom units allotted above, if a local school district, through its admission and release committee, determines that the most appropriate and least restrictive individual educational program for a particular handicapped child includes either part-time or full-time enrollment with a private school or agency, the school district shall be reimbursed in addition to the amount distributed under KRS 157.390(6), a pro rata allotment for those pupils under contract. The pro rata amount shall be calculated by dividing the district's average salary allotted for 185 days plus the current expense and capital outlay allotment per classroom unit by the maximum number of pupils required by regulations for the pupil's specific type of classroom unit.

(b) The superintendent of public instruction shall limit approval of additional private agencies for participation in state funding for the above cited program to those funds appropriated for this purpose in each biennial budget.

(7) [~~(a)~~] In allotting classroom units for administrative and special instructional services, the total number of classroom units allotted in subsections (2), *(5), (6)* [~~(10)~~] and *(11) of this section* [~~(12) plus subsections (5) and (6) before July 1, 1976~~] shall be divided by *nine (9)* [~~eight (8)~~] and the quotient shall be the number of classroom units allotted to the district under this subsection.

[~~(b) The total number of units allotted under subsection (5) beyond those allotted in the school year 1975-76 times six and nine-tenths (6.9) in 1978-79 and eight and four-tenths (8.4) in 1979-80 average daily attendance plus the total number of units allotted under subsection (6) beyond those allotted in the school year 1975-76 times five and one-tenth (5.1) in 1978-79 and six and three-tenths (6.3) in 1979-80 average daily attendance shall be divided by two hundred and sixteen (216) and the quotient shall be the number of classroom units allotted to the district under this subsection.~~

~~(c) The total of subsection (a) plus subsection (b) shall be the number of classroom units allotted the district for administrative and special instructional services as authorized by Kentucky administrative regulations of the state board of education.~~]

(8) In allotting classroom units for supervisors of instruction, one-half (1/2) of a classroom unit shall be allotted each district which is allotted twenty-five (25) through forty-nine and nine-tenths (49.9) classroom units under subsections (2), (5) *and* [~~,~~] (6) *of this section* [~~, (10) and (12)~~]; one (1) unit shall be allotted each district which is allotted fifty (50) to one hundred (100) classroom units, one (1) unit shall be allotted for each

one hundred (100) classroom units, or major fraction thereof, in districts allotted more than one hundred (100) classroom units under these subsections.

(9) In allotting classroom units for directors of pupil personnel, one (1) classroom unit shall be allotted each district which is allotted thirty-six (36) to one hundred and sixty-five and nine-tenths (165.9) classroom units under subsection (2) *of this section* and a unit for each additional two hundred and sixty-six (266) classroom units or fraction thereof allotted under subsection (2) *of this section*. For districts having fewer than thirty-six (36) classroom units, a proportionate fraction of a classroom unit shall be allotted.

(10) [~~In allotting classroom units for kindergarten, the superintendent of public instruction, under Kentucky administrative regulations of the state board of education, may allot units for kindergarten. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without approval of the governor.~~

~~(11)~~] In allotting classroom units for superintendent, one unit shall be allotted each school district.

(11)[~~(12)~~] In allotting classroom units for gifted and talented children, the superintendent of public instruction, under Kentucky administrative regulations of the state board of education, may allot units for gifted and talented children. The classroom units allotted under this subsection shall not exceed the units provided in the biennial budget without the approval of the governor.

Section 4. KRS 157.390 is amended to read as follows:

(1) (a) The superintendent of public instruction, under Kentucky administrative regulations of the state board of education, shall classify teachers in rank as follows:

Rank I. Those holding regular certificates and who have a master's degree in a subject field approved by the state board of education or equivalent preparation and who have earned thirty (30) semester hours of approved graduate work or its equivalent, and those teachers who, as of September 1, 1962, were included in Rank I, having earned twenty-four (24) semester hours of additional approved graduate work.

Rank II. Those holding regular certificates and who have a master's degree in a subject field approved by the state board of education or equivalent preparation.

Rank III. Those holding regular certificates and who have an approved four-year college degree or the equivalent.

Rank IV. Those holding certificates and who have ninety-six (96) to one hundred twenty-eight (128) semester hours of approved college training or the equivalent; provided, however, that persons holding emergency certificates shall not be classified higher than this rank for calculation of the amount to be included in the foundation program.

Rank V. Those holding certificates and who have sixty-four (64) to ninety-five (95) semester hours of approved college training or the equivalent.

(b) In determining ranks, the superintendent of public instruction, under Kentucky administrative regulations of the state board of education, shall classify teachers who hold valid certificates in the respective ranks according to approved college semester hours of credit. The superintendent of public instruction, in defining preparation for certain types of vocational teachers as equivalent to college training, shall give consideration to apprenticeship training and industrial experience.

(c) Nothing in this subsection shall allow the state board of education by regulation to reclassify downward any teachers currently in Ranks I or II.

(2) [~~(a)~~] The amount to be included in each school year in the foundation program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the biennial budget schedule for each rank and experience for a term of one hundred eighty-five (185) days. Provided, the amount to be included for units allotted under KRS 157.360(5), (7), (8), (9) and *(10)*[~~(11)~~] shall be increased proportionately if the personnel for such units are employed for longer than the regular school term and such employment is approved by the superintendent of public instruction under Kentucky administrative regulations of the [~~appropriate~~] state board. Where the actual number of teachers employed by the district varies from the number allowed under the provisions of KRS 157.310 to 157.440, the number to be included in each rank shall be in the same ratio that the number of teachers actually in each rank is to the total number of teachers employed.

[~~(b) The state board of education with the recommendation of the superintendent of public instruction, may designate local school districts as experimental districts for the utilization as classroom units para-professionals and teacher aides under KRS 157.360(2). In experimental districts, foundation program fund calculations shall include, with respect to one or more schools in the district, an amount for para-professionals and teacher aides. This amount may be equal to a maximum of fifty percent (50%) of the amount included for a teacher in Rank III with no experience but may not exceed the salary paid the para-professional or teacher aide, multiplied by the number of approved para-professionals and teacher aides employed in the designated school or schools.~~

~~(c) Such amounts may be included only for those who are not in sole and principal charge of a class. No district may receive foundation program funds for such number of para-professionals and teacher aides referred to in paragraph (b) of this subsection as exceeds one-half (1/2) the number of certificated teachers in the designated school or schools.~~

~~(d) In the calculation of classroom units for the purpose of allocation of teachers' salaries only, the state board of education may use a ratio greater than twenty-seven (27) to one (1) for such calculations regarding the experimental districts designated pursuant to paragraph (b) of this subsection.~~]

(3) The amount to be included in the foundation program for other current expenses shall be determined by multiplying the number of classroom units by the amounts set forth in the biennial budget.

(4) The amount to be included in the foundation program for capital outlay shall be determined by multiplying the number of classroom units by the amounts set forth in the biennial budget.

(5) The amount to be included in the foundation program of each district for transportation shall be determined by multiplying the aggregate attendance of transported children by the allowable cost per pupil per day for that district determined in accordance with the provisions of KRS 157.370.

(6) The total amount of money distributable to each district from the public school foundation program fund shall be the sum of the allotments in subsections (2), (3), (4) and (5) of this section.

Section 5. KRS 158.030 is amended to read as follows:

(1) A "common school" is an elementary or secondary school of the state supported in whole or in part by public taxation. No school shall be deemed a "common school" or receive support from public taxation unless the school is taught by a qualified teacher for a term of eight (8) or more months during the school year and every child residing in the district who satisfies the age requirements of this section has had the privilege of attending it. Provided, however, that any child who is six (6) years of age or who may become six (6) years of age by October 1, [~~1979, and any year thereafter,~~] shall attend public school as provided by KRS 157.315 or qualify for an exemption as provided by KRS 159.030. Any child who is five (5) years of age or who may become five (5) years of age by October 1, [~~1979, and any year thereafter,~~] may enter a public school kindergarten. Any child who has successfully completed kindergarten and shall be six (6) years of age by *October 1* [~~December 31, 1980~~] shall be eligible for enrollment in the first grade notwithstanding any other age requirements of this section[~~, and any child who has attended nursery school and will be five (5) years of age on or before December 31, 1980 shall be eligible for enrollment in a public kindergarten program in the 1981-82 school year and in the first grade during the 1982-83 school year~~].

(2) Notwithstanding any statute to the contrary, effective July 1, 1986 and any year thereafter, successful completion of kindergarten shall be a prerequisite for a child's entrance into first grade. The state board of education shall establish, by regulation, methods of verifying successful completion of kindergarten and extenuating circumstances for which waiver of the above prerequisite may be granted.

Section 6. KRS 158.100 is amended to read as follows:

(1) Each [~~county~~] school district shall provide at least an approved twelve (12) grade school service. An approved eight (8) grade service for all pupils residing in the district shall be provided by maintaining the schools. An approved high school service for all children of high school grade under twenty-one (21) years of age residing in the district shall be provided either by maintaining the schools within the county or by contract with another district.

(2) *Notwithstanding any statute to the contrary, effective July 1, 1985, and every year thereafter,* each [~~independent~~] school district shall provide at least an approved *kindergarten through* twelve (12) grade school service. An approved *kindergarten through* eight (8) grade school service shall be provided for the children residing in the district by maintaining schools. An approved high school service for all children of high school grade under twenty-one (21) years of age residing in the district shall be provided either by maintaining the schools within the district or by contract with another district [~~in the county~~].

Section 7. KRS 159.020 is amended to read as follows:

Any parent, guardian or other person having in custody or charge any child between the ages of *six (6)* [~~seven (7)~~] and sixteen (16) who removes the child from a school district during the school term shall enroll the child in a regular public day school in the district to which the child is removed, and the child shall attend school in the district to which he is removed for the full term provided by that district.

Section 8. KRS 159.250 is amended to read as follows:

The director of pupil personnel of each school district, working under the direction of the superintendent of schools, shall institute and maintain a complete, accurate, permanent and continuous census of all children between the ages of *five (5)* [~~six (6)~~] and eighteen (18) that reside in the school district. A child's age is between *five (5)* [~~six (6)~~] and eighteen (18) when the child has reached his *fifth* [~~sixth~~] birthday and has not passed the eighteenth birthday. The school census shall specify the name, date of birth and sex of each child; the name, nationality, occupation and post office address of each parent, guardian or custodian of the child; the school district in which the child resides; and the school to which the child belongs. The school shall be described by number and name. The census shall contain any other data required by the superintendent of public instruction. Each board of education shall furnish its director of pupil personnel with such assistance as it deems necessary for the institution and maintenance of the census.

Section 9. KRS 159.260 is amended to read as follows:

The director of pupil personnel of each school district shall, on or before June 1 each year, prepare a report showing the number of children residing in the school district or districts that he serves who will, on July 1 following, be between the ages of *five (5)* [~~six (6)~~] and eighteen (18) years. The report shall list the children according to the schools to which they belong in each school district. The report shall be made on forms furnished by the state board of education and shall contain any other information required by the superintendent of public instruction. It shall be sworn to before a notary public as being a correct statement as shown by the census on file in the office of the director of pupil personnel. The original and a duplicate copy of the report shall be filed with the district board of education. The board shall mail the original to the superintendent of public instruction and retain the copy in its office.

Calendar

SB 15, SB 199, SB 372, SB 371, SB 288, SB 10, SB 353, SB 247, SB 69, SB 178, SB 357, SB 415, SJR 60, SCR 78, SB 45, SB 157, SB 352, and SB 404 taken from the Calendar and ordered read at length for the second time. Representative LeMaster moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 38, HB 366, HB 435, HB 473, HB 609, HB 633, HB 666, HB 686, HB 762, HB 854, HJR 58,** and **HCR 96** had been examined and found correctly enrolled. Said Bills and Resolutions read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 2:34 p.m.)

HB 38, HB 366, HB 435, HB 473, HB 609, HB 633, HB 666, HB 686, HB 762, HB 854, HJR 58, and **HCR 96** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Orders of the Day

Representative LeMaster moved that the rules be suspended to allow a motion. Agreed.

Representative Gray moved that Floor Amendment No. 1 and Floor Amendment No. 2 to **SB 352** be withdrawn. Agreed.

Representative LeMaster moved that the rules be suspended for action upon a Legislative Citation. Agreed.

Representative Reinhardt moved the adoption of the Legislative Citation No. 150. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates Talbert "T.J." Turner, Jr., outstanding basketball player and a senior at Pendleton County High School, Falmouth, Kentucky, son of Talbert and Mary Turner, for scoring the 3000th point in your high school basketball career on February 24, 1984. Especially noteworthy is that only two other players have scored over 3000 points in Kentucky's history. The 59 points that you scored set your school record for the highest number of points scored in one game. Your superior rating is most creditable and impressive: 30.3 points a game, 50.0 field goal and 78.0 free throw percentages. Your membership in the National Honor Society, 3.61 grade point average, and being in the Top Ten of your senior class is exemplary of your academic accomplishments. Perseverance, hard work, dedication and school loyalty are most evident and rewarding in helping you qualify twice as a Northern Kentucky Player of the Year and being named second team all state for 1983. You have brought great pride and inspiration to your school, community and the Commonwealth of Kentucky. This prestigious body salutes you and extends best wishes as you pursue your career ambitions and may college offer you the greatest of challenges. (Sponsored by Representative Reinhardt)

Report on Enrolled Bills

The Committee on Enrollment reported **SB 11, SB 210, SB 229, SB 230, SB 276,** and **SB 277** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Orders of the Day (Continued)

HB 479, with Committee Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved the adoption of the Committee Amendment No. 1 to **HB 479.** Agreed.

Representative LeMaster moved the adoption of the Committee Amendment No. 2 to **HB 479.** Agreed.

Representative LeMaster moved that **HB 479**, as amended, be passed.

On the roll call the vote was yeas 92-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 479, as amended, was passed.

Representative LeMaster moved the adoption of the Committee Title Amendment to **HB 479**. Agreed.

Representative LeMaster moved that the vote by which **HB 479**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 118 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Mann moved the **SB 118** be passed.

On the roll call the vote was yeas 93-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

SB 118 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 118** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 190 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved that **SB 190** be passed.

On the roll call the vote was yeas 82-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Brown, Bruce, Burch, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 5-Allen, Caldwell, Freibert, T. Jones, Rattliff.

SB 190 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 190** was passed be reconsidered and said motion be placed on the table. Agreed.

HCR 122 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon ts passage. Agreed by a majority of members elected.

Representative Priddy moved that **HCR 122** be passed.

On the roll call the vote was yeas 84-Allen, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Ford, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Lundergan, Maggard, McBee, McElroy, McNutt, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 4-Barrows, Cline, Farrow, Petty.

HCR 122 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HCR 122** was passed be reconsidered and said motion be placed on the table. Agreed.

HR 126 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Blandford moved that **HR 126** be adopted.

HR 126 was adopted by voice vote.

SB 212 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Handy moved that **SB 212** be passed.

On the roll call the vote was yeas 77-Allen, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cowan, Craddock, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Fryman, Gedling, Gray, Hancock, Handy, Head, Heleringer, Hines, Holbrook, R. Jones, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moore, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 3-Freibert, Kenton, Rattliff.

SB 212 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 212** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 262 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cowan moved that **SB 262** be passed.

On the roll call the vote was yeas 73-Bendl, Bennett, Blandford, Brinkley, Bronger, Bruce, Burch, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Donnermeyer, Dunn, Ellington, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Johnson, R. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stumbo, Thomason, Todd, Turner, White, Williams, Worthington, Yates. Nays 12-Allen, Blevins, Caldwell, Cyrus, Dawahare, Endicott, Farrow, Holbrook, T. Jones, Moore, Perkins, Van Horn.

SB 262 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 262** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 285 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Brinkley moved that **SB 285** be passed.

On the roll call the vote was yeas 85-Allen, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Harper, Head, Heleringer, Hines, Holbrook, R. Jones, T. Jones, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McNutt, Meyer, Moberly, Noe, Noland, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, Stone, Stumbo, Thomason, Todd, Turner, Van Horn, Williams, Worthington, Yates. Nays 1-Moore.

SB 285 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 285** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 298 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative McElroy moved that **SB 298** be passed.

On the roll call the vote was yeas 89-Allen, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noland, O'Brien, Overstreet, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

SB 298 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 298** was passed be reconsidered and said motion be placed on the table. Agreed.

SCR 45 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Long moved that **SCR 45** be passed.

On the roll call the vote was yeas 66-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Craddock, Donnermeyer, Dunn, Foster, Freibert, Guenthner, Hancock, Harper, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Kidd, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Morris, Nett, Noe, O'Brien, Perkins, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Yates. Nays 24-Allen, Bruce, Clapp, Cline, Crupper, Curd, Cyrus, Ellington, Endicott, Farrow, Fryman, Gedling, Gray, Layman, Lefevers, Meyer, Noland, Overstreet, Pearman, Rattliff, Robinson, Todd, Turner, Worthington.

SCR 45 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SCR 45** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 947 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Bendl moved that **HB 947** be passed.

On the roll call the vote was yeas 56-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, L. Clark, P. Clark, Cowan, Cyrus, Dawahare, Donnermeyer, Dunn, Foster, Gedling, Gray, Hancock, Handy, Hines, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, Meyer, Morris, Nett, Noe, O'Brien, Pearman, Perkins, Petty, Priddy, Rapier, Richards, Seum, B. Smith, F. Smith, Stumbo, Thomason, Van Horn, White, Williams, Worthington, Yates. Nays 28-Allen, Caldwell, Clarke, Crupper, Curd, Ellington, Endicott, Farrow, Freibert, Fryman, Guenthner, Harper, Head, Heleringer, Layman, Holbrook, List, McNutt, Moore, Noland, Overstreet, Patrick, Rattliff, Reinhardt, P. Richardson, Robinson, Todd, Turner.

HB 947 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 947** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 94 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Seum moved that **SB 94** be passed.

On the roll call the vote was yeas 90-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Harper, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

SB 94 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 94** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 134 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Seum moved that **SB 134** be passed.

On the roll call the vote was yeas 64-Bendl, Blandford, Blevins, Brinkley, Bronger, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Farrow, Foster, Gedling, Gray, Hancock, Handy, Harper, Heleringer, Hines, Holbrook, Johnson, T. Jones, Kenton, Kidd, Layman, LeMaster, List, Little, Lundergan, Maggard, Mann, McBee, McElroy, Meyer, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Priddy, Rapier, Reinhardt, Richards, P. Richardson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, White, Williams, Worthington, Yates. Nays 24-Allen, Brown, Cline, Ellington, Endicott, Ford, Freibert, Fryman, Head, R. Jones, Lefevers, Lile, Long, McNutt, Moberly, Moore, Patrick, Pearman, Perkins, Rattliff, Robinson, Todd, Turner, Van Horn.

SB 134 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 134** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 206, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Hines moved the adoption of the Floor Amendment No. 1 to **SB 206**. Rejected.

Representative Yates moved that **SB 206** be passed.

On the roll call the vote was yeas 48-Bendl, Bennett, Blevins, Brinkley, Bronger, Brown, Burch, L. Clark, P. Clark, Cowan, Crupper, Cyrus, Deskins, Donnermeyer, Dunn, Foster, Gedling, Gray, Guenthner, Hancock, Handy, Hines, Holbrook, Johnson, Kenton, Kidd, Lile, List, Little, Lundergan, Maggard, Mann, McBee, McElroy, Moberly, Nett, O'Brien, Perkins, Petty, Priddy, Rapier, Riner, Stone, Stumbo, Turner, Van Horn, Williams, Yates. Nays 32-Allen, Barrows, Burnette, Caldwell, Clarke, Cline, Curd, Dawahare, Ellington, Endicott, Farrow, Ford, Fryman, Harper, Head, Heleringer, R. Jones, Lefevers, Long, McNutt, Meyer, Moore, Noe, Noland, Overstreet, Rattliff, Reinhardt, P. Richardson, Robinson, Seum, Todd, Worthington.

SB 206 was passed and the title agreed to.

Representative Yates moved that the vote by which **SB 206** was passed be reconsidered and said motion be placed on the table. Agreed.

SJR 46 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cyrus moved that **SJR 46** be passed.

On the roll call the vote was yeas 89-Allen, Bendl, Bennett, Blandford, Blevins, Brinkley, Brown, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Harper, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

SJR 46 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SJR 46** was passed be reconsidered and said motion be placed on the table. Agreed.

SJR 47 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cyrus moved that **SJR 47** be passed.

On the roll call the vote was yeas 83-Bendl, Bennett, Blevins, Brinkley, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Williams, Worthington, Yates. Nays 1-P. Clark.

SJR 47 was passed and the title agreed to.

Representative LeMaster moved that the vote by which SRJ 47 was passed be reconsidered and said motion be placed on thet table. Agreed.

SB 255, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Yates moved the adoption of the Floor Amendment No. 1 to **SB 255**. Agreed.

Representative Yates moved that **SB 255**, as amended, be passed. Representative Farrow moved the adoption of the Floor Amendment No. 3 to **SB 255**. Rejected.

Representative Farrow moved the adoption of the Floor Amendment No. 2 to **SB 255**. Rejected.

Representative Hancock moved the adoption of the Committee Amendment No. 1 to **SB 255**. Rejected.

Representative Yates moved that **SB 255**, as amended, be passed.

On the roll call the vote was yeas 67-Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Bruce, Burch, Burnette, L. Clark, P. Clark, Clarke, Cowan, Craddock, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Ford, Foster, Gray, Handy, Head, Heleringer, Hines, Holloway, Johnson, T. Jones, Kenton, Kidd, Lile, Little, Lundergan, Maggard, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Perkins, Petty, Priddy, Rattliff, Reinhardt, Richards, Riner, Robinson, Seum, B. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Worthington, Yates. Nays 19-Arnold, Brown, Caldwell, Cline, Crupper, Curd, Endicott, Freibert, Fryman, Gedling, Hancock, Harper, Layman, List, Long, Moore, Pearman, Rapier, Turner.

SB 255, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 255**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Senate Message

Announcing passage of **HB 216, HB 264, HB 365, HB 553, HB 573, HB 596, HB 721, HB 775, HB 887, HB 926, HJR 9,** and **HJR 92.**

Orders of the Day (Continued)

SB 343, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative T. Jones moved the adoption of the Floor Amendment No. 1 to **SB 343**. Agreed.

Representative T. Jones moved the adoption of the Floor Amendment No. 2 to **SB 343**. Agreed.

Representative T. Jones moved the adoption of the Floor Title Amendment to **SB 343**. Agreed.

Representative Noland moved that **SB 343,** as amended, be passed.

On the roll call the vote was yeas 80-Allen, Arnold, Barrows, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Endicott, Ford, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Harper, Head, Heleringer, Hines, Holbrook, Holloway, R. Jones, T. Jones, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, Overstreet, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, P. Richardson, Riner, Robinson, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, Williams, Worthington, Yates. Nays 7-Dawahare, Farrow, Gedling, Kenton, O'Brien, Pearman, White.

SB 343, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 343,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 26, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved the adoption of the Floor Amendment No. 2 to **SB 26**.

Representative Barrows inquired whether Floor Amendment No. 2 was germane to **SB 26**.

The Chair ruled Floor Amendment No. 2 to **SB 26** was not germane without the title amendment.

Representative LeMaster moved the adoption of the Floor Title Amendment to **SB 26**.

Representative Barrows inquired whether Floor Title Amendment was germane to **SB 26**.

The Chair ruled Title Amendment to **SB 26** was germane.

Representative LeMaster moved the adoption of the Floor Title Amendment to **SB 26**. Agreed.

Representative LeMaster moved the adoption of the Floor Amendment No. 2 to **SB 26**.

On the roll call the vote was yeas 90-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Ford, Foster, Freibert, Fryman, Gedling, Guenthner, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 8-Allen, Farrow, Gray, Hancock, Heleringer, Pearman, Perkins, Reinhardt.

Floor Amendment No. 2 to **SB 26** was adopted.

Representative Moberly moved the adoption of the Floor Amendment No. 3 to **SB 26**. Agreed.

Representative LeMaster moved that **SB 26,** was amended, be passed.

Representative Moberly moved the adoption of the Committee Amendment No. 1 to **SB 26**. Agreed.

Representative LeMaster moved that **SB 26,** as amended, be passed.

On the roll call the vote was yeas 92-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Ford, Foster, Freibert, Fryman, Gedling, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noland, O'Brien, Overstreet, Patrick, Pearman, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 6-Allen, Barrows, Farrow, Gray, Noe, Perkins.

SB 26, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 26,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 93, HB 111, HB 284, HB 538, HB 539, HB 565, HB 746, HB 760, HB 770, HB 846, HB 869,** and **HB 933** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 4:14 p.m.)

HB 93, HB 111, HB 284, HB 538, HB 539, HB 565, HB 746, HB 760, HB 770, HB 846, HB 869, and **HB 933** delivered to the Senate, signed by President. Ordered delivered to the Governor.

SB 317, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Meyer moved the adoption of the Floor Amendment No. 1 to **SB 317.** Agreed.

Representative Meyer moved that **SB 317,** as amended, be passed.

On the roll call the vote was yeas 60-Bendl, Bennett, Blandford, Brinkley, Brown, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Ellington, Foster, Hancock, Hines, Holbrook, Holloway, R. Jones, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Nett, Noe, Noland, O'Brien, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Seum, F. Smith, Stumbo, Thomas, Thomason, Turner, Van Horn, Williams, Yates. Nays 20-Bruce, Cline, Dawahare, Farrow, Ford, Freibert, Gedling, Gray, Layman, Moore, Morris, Overstreet, Patrick, Pearman, Rattliff, Robinson, B. Smith, Stone, White, Worthington.

SB 317, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 317,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 158 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved that **SB 158** be passed.

On the roll call the vote was yeas 78-Barrows, Bendl, Bennett, Blandford, Blevins, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Craddock, Crupper, Curd, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Ford, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Noe, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, White, Williams, Worthington, Yates. Nays 4-Cline, Farrow, Moore, Van Horn.

SB 158 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 158** was passed be reconsidered and said motion be placed on the table. Agreed.

Representative LeMaster moved that **HB 903** be recommitted to the Committee on Appropriations and Revenue. Agreed.

Representative LeMaster moved that **HB 577** be recommitted to the Committee on Appropriations and Revenue. Agreed.

Representative LeMaster moved that **HB 269** be recommitted to the Committee on Natural Resources and Environment. Agreed.

Representative LeMaster moved that **HB 636** be recommitted to the Committee on Health and Welfare. Agreed.

Representative LeMaster moved that **HB 210** be recommitted to the Committee on Business Organizations and Professions. Agreed.

HB 139, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment to **HB 139** is as follows:

Amend printed copy of **HB 139** on page 3, line 8, after the word "of", by removing the word "*it*" and inserting in lieu thereof the words "*the main line*".

Representative Little moved that the House concur in the Senate Amendment to **HB 139.** Agreed.

Representative Little moved that **HB 139,** as amended by the Senate, be passed.

On the roll call the vote was yeas 77-Barrows, Bendl, Bennett, Blandford, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Head, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, O'Brien, Overstreet, Patrick, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 5-Allen, Blevins, Ford, Layman, Pearman.

HB 139, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 139,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 581, with Senate Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 1 to **HB 581** is as follows:

Amend printed copy of **HB 581** on page 1, by deleting lines 1 thru 20; and

on page 2, by deleting lines 1 thru 26; and

on page 3, by deleting lines 1 thru 26; and

on page 4, by deleting lines 1 thru 26; and

on page 5, by deleting lines 1 thru 26; and

on page 6, by deleting lines 1 thru 12; and on page 15, line 15, after the word "KRS" and before the word "shall", by deleting "61.510 to 61.692" and inserting in lieu thereof "*16.510, 61.515, 61.701, and 78.520.*

The Senate Amendment No. 2 to **HB 581** is as follows:

Amend printed copy of **HB 581** on page 6, line 21, after the bracket "]", by deleting the ",";

and on page 6, line 22 by adding the word "*or*" before the word "if";

and on page 6, line 22, after the word "not" and before the comma, by adding the word "*living*".

Representative LeMaster moved that the House concur in the Senate Amendment No. 1 to **HB 581.** Agreed.

Representative LeMaster moved that the House concur in the Senate Amendment No. 2 to **HB 581.** Agreed.

Representative LeMaster moved that **HB 581,** as amended by the Senate, be passed.

On the roll call the vote was yeas 86-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Ford, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, O'Brien, Overstreet, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 1-Pearman.

HB 581, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 581,** as amended, by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 176, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 1 to **HB 176** is as follows:

Amend printed copy of **HB 176** on page 2, line 4, after the word "*within*" by deleting "*five (5)*" and inserting "*fifteen (15)*" in lieu thereof.

Representative Little moved that the House concur in the Senate Amendment No. 1 to **HB 176.** Agreed.

Representative Little moved that **HB 176,** as amended by the Senate, be passed.

On the roll call the vote was yeas 77-Arnold, Bennett, Blandford, Blevins, Bronger, Brown, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Ford, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, Meyer, Moberly, Moore, Nett, Noe, O'Brien, Overstreet, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, P. Richardson, Riner, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, White, Worthington, Yates. Nays 7-Allen, Ellington, McElroy, McNutt, Pearman, Robinson, Turner.

HB 176, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 176,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 524, with Senate Amendment attached thereto, taken from Orders of the Day. Representative

LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 1 to **HB 524** is as follows:

Amend printed copy of **HB 524** on page 2, line 5, by deleting all new language beginning with "*A*" through "*or*" on line 6;

on page 2, line 6, by changing "*a*" to "*A*";

on page 2, line 9, by deleting all new language beginning with "*not*" through "*has*" on line 10.

Representative Little moved that the House concur in the Senate Amendment No. 1 to **HB 524.** Agreed.

Representative Little moved that **HB 524,** as amended by the Senate, be passed.

On the roll call the vote was yeas 83-Arnold, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, Kenton, Kidd, Layman, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, White, Worthington, Yates. Nays 5-Allen, Lefevers, Noe, Robinson, Turner.

HB 524, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 524,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 670, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 1 to **HB 670** is as follows:

Amend printed copy of **HB 670** on page 1, by deleting lines 12 through 21;

and on page 2, by deleting lines 1 through 6, and inserting in lieu thereof the following: "*forms which provide for the spouse of the employee to acknowledge by signature such action.*"

Representative Freibert moved that the House concur in the Senate Amendment No. 1 to **HB 670.** Agreed.

Representative Freibert moved that **HB 670,** as amended by the Senate, be passed.

On the roll call the vote was yeas 94-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

HB 670, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 670,** as amended, by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 106, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 2 to **HB 106** is as follows:

Amend printed copy of **HB 106** on page 3, by deleting lines 16 through 26 and inserting the following:
"*(1) A person is guilty of unlawful access to a computer in the first degree when he knowingly and willfully, directly or indirectly accesses, causes to be accessed, or attempts to access any computer software, computer program, data, computer, computer system, computer network, or any part thereof, for the purpose of:*

(a) Devising or executing any scheme or artifice to defraud; or

(b) Obtaining money, property, or services for themselves or another by means of false or fraudulent pretenses, representations, or promises; or

(c) Altering, damaging, destroying, or attempting to alter, damage, or destroy, any computer, computer system, or computer network, or any computer software, program, or data.

(2) Accessing, attempting to access, or causing to be accessed any computer software, computer program, data, computer, computer system, computer network, or any part thereof, even though fraud, false or fraudulent pretenses, representations, or promises may have been involved in the access or attempt to access shall not constitute a violation of this section if the sole purpose of the access was to obtain information and not to commit any other act proscribed by this section.

(3) Unlawful access to a computer in the first degree is a Class C felony.

SECTION 3. A NEW SECTION OF KRS CHAPTER 434 IS CREATED TO READ AS FOLLOWS:

(1) A person is guilty of unlawful access to a computer in the second degree when he without authorization knowingly and willfully, directly or indirectly accesses, causes to be accessed, or attempts to access any computer software, computer program, data, computer, computer system, computer network, or any part thereof.

(2) Unlawful access to a computer in the second degree is a Class A misdemeanor.

SECTION 4. A NEW SECTION OF KRS CHAPTER 434 IS CREATED TO READ AS FOLLOWS:

(1) A person is guilty of misuse of computer information when he:

(a) Receives, conceals, or uses, or aids another in doing so, any proceeds of a violation of Section 2 of this Act; or

(b) Receives, conceals, or uses or aids another in doing so, any books, records, documents, property, financial instrument, computer software, computer program, or other material, property, or objects, knowing the same to have been used in or obtained from a violation of Section 2 of this Act.

(2) Misuse of computer information is a Class C felony."

and on page 4, by deleting lines 1 through 25;

and on page 4, line 26, by deleting "3"and inserting "5" in lieu thereof;

and on page 5, line 3, by deleting "*Section 2*" each time it appears and by inserting in lieu thereof "*Sections 2, 3, or 4*";

and on page 5, line 6, by deleting "*Section 2*" and inserting in lieu thereof "*Sections 2, 3, or 4*".

Representative Donnermeyer moved that the House concur in the Senate Amendment No. 2 to **HB 106**. Agreed.

Representative Donnermeyer moved that **HB 106,** as amended by the Senate be passed.

On the roll call the vote was yeas 92-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Ford, Foster, Freibert, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington. Nays 0.

HB 106, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 106,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 664, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon ts passage. Agreed.

The Senate Amendment No. 2 to **HB 664** is as follows:

Amend printed copy of **HB 664** on page 1, line 6, after the word "every" by inserting the word "*underground*"; and

on page 1, line 6, by deleting all new language; and

on page 1, line 7, by removing the brackets and strike-through marks; and

on page 1, line 12, after the word "*Any*", by inserting the word "*such*"; and

on page 2, after line 11, by adding a new Section 2 to read as follows:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 351 IS CREATED TO READ AS FOLLOWS:

Any underground mine employing two (2) to twenty-five (25) employees engaged in the extraction, production, or preparation of coal shall employ at least one (1) person who has successfully completed an eight (8) hour first-aid training program prescribed by the department."

Representative Deskins moved that the House concur in the Senate Amendment No. 2 to **HB 664.** Agreed.

Representative Deskins moved that **HB 664,** as amended by the Senate, be passed.

On the roll call the vote was yeas 74-Barrows, Bendl, Bennett, Blandford, Blevins, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Craddock, Crupper, Curd, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gray, Hancock, Handy, Harper, Head, Hines, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, Meyer, Moberly, Nett, Noe, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, Williams, Worthington, Yates. Nays 12-Allen, Ellington, Ford, Fryman, Gedling, Layman, Lefevers, McNutt, Moore, Noland, Robinson, White.

HB 664, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 664,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 263, with Senate Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 1 to **HB 263** is as follows:

Amend printed copy of **HB 263** on page 12, line 5, by inserting after the word "*enter*" the following: "*consistent with due process*" and by deleting the following: "*after written notice*".

The Senate Amendment No. 4 to **HB 263** is as follows:

Amend printed copy of **HB 263** on page 13, line 25, after the word "*thereto.*" by deleting the words "*In any such action*";

and on page 13, line 26, by deleting it in its entirety;

and on page 14, line 1, by deleting it in its entirety.

Representative List moved that the House concur in the Senate Amendment No. 1 to **HB 263**. Agreed.

Representative List moved that the House concur in the Senate Amendment No. 4 to **HB 263**. Agreed.

Representative List moved that **HB 263**, as amended by the Senate, be passed.

On the roll call the vote was yeas 53-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Bronger, Burch, Caldwell, L. Clark, P. Clark, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gedling, Gray, Hancock, Handy, Harper, Head, Hines, Holbrook, R. Jones, Kenton, Kidd, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, Meyer, Moberly, Moore, Nett, Noe, O'Brien, Perkins, Petty, Priddy, Rapier, Reinhardt, Seum, Stumbo, Thomason, Williams, Worthington, Yates. Nays 40-Allen, Brown, Bruce, Burnette, Clarke, Cline, Craddock, Crupper, Curd, Cyrus, Dawahare, Ellington, Endicott, Ford, Fryman, Guenthner, Heleringer, Johnson, T. Jones, Layman, Lefevers, McElroy, McNutt, Morris, Noland, Overstreet, Patrick, Pearman, Rattliff, Richards, B. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Thomas, Todd, Turner, Van Horn.

HB 263, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 263**, as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 376, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 1 to **HB 376** is as follows:

Amend printed copy of **HB 376** on page 5, delete lines 14 through 26 and insert in lieu thereof the following: "Section 6. KRS 406.031 is repealed."

Representative Kenton moved that the House concur in the Senate Amendment No. 1 to **HB 376**. Rejected.

The Free Conference Committee Report was filed on **SB 20**.

Representative LeMaster moved that the Free Conference Committee Report be read. Agreed.

Representative Williams moved the adoption of the Free Conference Committee Report on **SB 20**.

Representative Williams moved that his motion that the Free Conference Committee Report on **SB 20** be adopted be withdrawn until **SB 20** is in possession of the House. Agreed.

Representative LeMaster moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 146, by Representative LeMaster: A RESOLUTION relating to legislative days reserved for concurrence in amendments.

Representative LeMaster moved the adoption of the following **HR 146**:

HR 146, A RESOLUTION relating to legislative days reserved for concurrence in amendments.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the fifty-seventh and fifty-eighth legislative days of the 1984 session of the House of Representatives, occurring on March 29, 1984, and March 30, 1984, be used by the House of Representatives exclusively for concurrence in amendments applied by the Senate to bills and resolutions originating in the House of Representatives, pursuant to Rule 50 of the Rules of the House of Representatives.

HR 146 was adopted by voice vote.

Representative LeMaster moved that the rules be suspended for Introduction of Resolutions and Report of Committees. Agreed.

Introduction of Resolutions

HR 147, by Representative Ford: A RESOLUTION to urge Congress to appropriate funds for the Big South Fork National Recreation Area.

HR 148, by Representative Ford: A RESOLUTION directing the Interim Joint Committee on Transportation to conduct a study on the highway needs and establish costs to meet the needs for the improvement or construction of roads in the Big South Fork River and Recreation Area.

HR 149, by Representative Meyer: A RESOLUTION adjourning the House in honor of Dicky Beal, upon his selection as Most Valuable Player in the NCAA Mid-East Regional Basketball Tournament.

Report of Committees

The Committee on Business Organizations and Professions reported **SB 174,** with Committee Substitute attached thereto, and **SB 340,** with Committee Amendments attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 174, AN ACT relating to nutritionists and dietitians.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. KRS CHAPTER 310 IS ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

(1) No person shall hold himself out as a nutritionist, dietitian or nutrition educator unless he has earned at least a baccalaureate degree in home economics, dietetics or nutrition, food science or a field related to food science or nutrition such as biochemistry, which includes at least twelve (12) semester hours in foods and nutrition, from a college or university which is accredited by the southern association of colleges and universities or an accrediting agency recognized by the southern association of colleges and universities or any successor to the powers of both.

SECTION 2. A NEW SECTION OF KRS CHAPTER 310 IS CREATED TO READ AS FOLLOWS:

After July 15, 1989, no person shall hold himself out as a dietitian unless he has:

(1) Earned at least a baccalaureate degree from a college or university which is accredited by the southern association of colleges and universities or an accrediting agency recognized by the southern association of colleges and universities or any successor to the powers of both;

(2) Successfully completed minimum academic requirements established by the commission on dietetic registration, the american dietetic association; and

(3) Successfully completed one (1) of the accredited experience options established by the commission on dietetic registration, which includes but is not limited to, completion of an accredited coordinated undergraduate program, an accredited dietetic internship, an approved three (3) year pre-planned work experience, or a master's degree in nutrition or a related area with six (6) months of full-time or equivalent qualifying experience.

SECTION 3. A NEW SECTION OF KRS CHAPTER 310 IS CREATED TO READ AS FOLLOWS:

After July 15, 1989, no person shall hold himself out as a nutritionist unless he has:

(1) Met all the criteria established in Section 2 of this Act; or

(2) Has completed a minimum of a master's degree in food science, nutrition, or in a field closely related to food science or nutrition, such as biochemistry, and has a minimum of twelve (12) semester hours of graduate credit in nutrition from a college or university which is accredited by the southern association of colleges and universities or an accrediting agency recognized by the southern association of colleges and universities or any successor to the powers of both.

SECTION 4. A NEW SECTION OF KRS CHAPTER 310 IS CREATED TO READ AS FOLLOWS:

No person shall hold himself out as a registered dietitian unless he has:

(1) Met all the criteria established in Section 2 of this Act; and

(2) Successfully completed the requirements of the commission on dietetic registration, the american dietetic association.

SECTION 5. A NEW SECTION OF KRS CHAPTER 310 IS CREATED TO READ AS FOLLOWS:

For a period not to exceed three (3) years, a person may hold himself out as a dietitian trainee upon completion of the requirements contained in subsections (1) and (2) of Section 2 of this Act and during participation in one (1) of the accredited experience options contained in subsection (3) of Section 2 of this Act.

SECTION 6. A NEW SECTION OF KRS CHAPTER 310 IS CREATED TO READ AS FOLLOWS:

Anyone who violates the provisions of this Act shall be guilty of a Class A misdemeanor.

The Committee Substitute to **SB 174** is as follows:

SB 174, AN ACT relating to nutritionists and dietitians.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. KRS CHAPTER 310 IS ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

(1) From the effective date of this Act until July 15, 1989, no person shall use the title "registered nutritionist" or a "registered dietitian" unless he has earned at least a baccalaureate degree in home economics, dietetics or nutrition, food science or a field related to food science or nutrition such as biochemistry, which includes at least twelve (12) semester hours in foods and nutrition, from a college or university which is accredited by the southern association of colleges and universities or an accrediting agency recognized by the southern association of colleges and universities or any successor to the powers of both.

SECTION 2. A NEW SECTION OF KRS CHAPTER 310 IS CREATED TO READ AS FOLLOWS:

After July 15, 1989, no person shall use the title "registered dietitian" unless he has:

(1) Earned at least a baccalaureate degree from a college or university which is accredited by the southern association of colleges and universities or an accrediting agency recognized by the southern association of colleges and universities or any successor to the powers of both;

(2) Successfully completed minimum academic requirements established by the commission on dietetic registration, the american dietetic association; and

(3) Successfully completed one (1) of the accredited experience options established by the commission on dietetic registration, which includes but is not limited to, completion of an accredited coordinated undergraduate program, an accredited dietetic internship, an approved three (3) year pre-planned work experience, or a master's degree in nutrition or a related area with six (6) months of full-time or equivalent qualifying experience.

SECTION 3. A NEW SECTION OF KRS CHAPTER 310 IS CREATED TO READ AS FOLLOWS:

After July 15, 1989, no person shall use the title "registered nutritionist" unless he has:

(1) Met all the criteria established in Section 2 of this Act; or

(2) Has completed a minimum of a master's degree in food science, nutrition, or in a field closely related to food science or nutrition, such as biochemistry, and has a minimum of twelve (12) semester hours of graduate credit in nutrition from a college or university which is accredited by the southern association of colleges and universities or an accrediting agency recognized by the southern association of colleges and universities or any successor to the powers of both.

SECTION 4. A NEW SECTION OF KRS CHAPTER 310 IS CREATED TO READ AS FOLLOWS:

For a period not to exceed three (3) years, a person may use the title a "dietitian trainee" upon completion of the requirements contained in subsections (1) and (2) of Section 2 of this Act and during participation in one (1) of the accredited experience options contained in subsection (3) of Section 2 of this Act.

SECTION 5. A NEW SECTION OF KRS CHAPTER 310 IS CREATED TO READ AS FOLLOWS:

(1) This Act shall not be construed to affect a person who owns a health food store or who manufactures, distributes or sells health foods, dietary supplements or vitamins nor shall it be construed to affect any other person who provides nutritional or dietary advice or sells nutritional or dietary supplements

so long as the person does not use the title "registered nutritionist," "registered dietitian" or "dietition trainee."

(2) Nothing in this Act shall be construed to prohibit any person licensed in this state from carrying out any therapy or practice for which he is duly licensed, including but not limited to physicians, osteopaths, podiatrists, chiropractors, dentists and nurses.

SECTION 6. A NEW SECTION OF KRS CHAPTER 310 IS CREATED TO READ AS FOLLOWS:

Anyone who violates the provisions of this Act shall be guilty of a Class A misdemeanor.

SB 340, AN ACT relating to engineers and land surveyors.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 322.010 is amended to read as follows:

As used in this chapter, unless the context requires otherwise: (1) "Board" means the state board of registration for professional engineers and land surveyors.

(2) "Engineer" means a person who is qualified by reason of his knowledge of mathematics, the physical sciences and the principles of engineering, acquired by professional education and practical experience, to engage in the practice of professional engineering.

(3) "Engineering" includes any service or creative work, the adequate performance of which requires engineering education, training, and experience in the application of special knowledge of the mathematical, physical, and engineering sciences to such services or creative work as consultation, investigation, evaluation, planning and design of engineering works and systems, planning the use of land and waters, *teaching of advanced engineering subjects* and the review of construction for the purpose of assuring compliance with drawings and specifications; any of which embraces such service or work either public or private, in connection with any utilities, structures, certain buildings, building systems, machines, equipment, processes, work systems or projects with which the public welfare or the safeguarding of life, health or property is concerned, when such professional service requires the application of engineering principles and data. It does not include the work ordinarily performed by persons who operate or maintain machinery or equipment, such as locomotive, stationary, marine or power plant operators, nor work embraced within the practice of land surveying.

(4) "Practice of engineering" includes all professional services included in subsection (3) of this section, together with the negotiation or solicitation for engineering work on any project in this state, regardless of whether the persons engaged in that practice are residents of this state or have their principal office or place of business in this state or any other state or country, and regardless of whether they are performing one or all of these duties, or whether they are performing them in person or as the directing heads of offices or organizations.

(5) "Land surveying" means and includes any services requiring the determination of the location of land boundaries and land boundary corners and incidental topography; the preparation of maps showing the shape and area of tracts of land and their subdivision into smaller tracts; the preparation of maps showing the layout of roads, streets, [~~and~~] rights-of-way *and easements*; and the preparation of official maps or plats of land within this state.

(6) "Land surveyor" means and includes any person engaged in the practice of land surveying as herein defined, and shall include any public offer, or the holding out by any person to the public, to engage in the practice of land surveying.

(7) "Practice of land surveying" or "offer to practice" shall include performance of any act or acts directly related to land surveying, or any claim, oral or written, sign, letterhead, professional card, or other representation, on the part of any person representing himself to be a land surveyor or who holds himself out to the general public as possessing the ability and qualifications to perform land surveying within the terms of KRS 322.010, 322.200, 322.230 to 322.250, and 322.420 to 322.460.

(8) "Engineer in training" means a person who has passed a written examination in the fundamentals of engineering acceptable to the board.

(9) "Land surveyor in training" means a person who has passed a written examination in the fundamentals of land surveying acceptable to the board.

Section 2. KRS 322.020 is amended to read as follows:

No person shall practice or offer to practice engineering or land surveying, or use, assume or advertise in any way any title or description tending to convey the impression that he is an engineer or land surveyor, unless he has been *registered* [~~licensed~~] under this chapter.

Section 3. KRS 322.030 is amended to read as follows:

KRS 322.020 shall not apply to:

(1) The engaging in engineering as a pupil of or under the direction of a *registered* [~~licensed~~] engineer, if such practice does not include responsible charge of design or supervision as a principal;

(2) The practice of officers and employes of the United States government while engaged in engineering for the government;

(3) The practice of engineering by a person on property leased or owned by the person unless the practice involves the public safety or public health; or to the performance of engineering that relates solely to the design or fabrication of manufactured products;

(4) An engineer engaged solely as an officer or employe of a privately owned public utility or of a corporation engaged in interstate commerce as defined in the interstate commerce act (24 Stat. 379) as amended;

(5) The practice of any elective officer of this state or any political subdivision of this state while carrying out the duties of the office to which he was elected; or

(6) A licensed architect who engages in engineering practice as an incident to the practice of his own profession.

Section 4. KRS 322.040 is amended to read as follows:

(1) Compliance with the *following* requirements [~~of any one of paragraphs (a) and (b) of this subsection~~] shall qualify an applicant for *registration* [~~a license~~] as a professional engineer: [~~(a)~~] A graduate of an engineering curriculum of four (4) years or more approved by the board and with a specific record of an additional four (4) years or more of progressive experience in engineering projects of a grade and character which indicates to the board that the applicant may be competent to practice engineering. Each applicant must pass a written examination in the fundamentals of engineering acceptable to the board and a written examination in the principles and practice of engineering acceptable to the board. The board may admit to the fundamentals of engineering examination applicants enrolled in the final year of an undergraduate engineering curriculum. Upon passing such examinations, the applicant shall be granted a certificate of registration to practice engineering in this Commonwealth, provided the applicant is otherwise qualified. In counting years of experience, the board may give credit, not in excess of one (1) year, for satisfactory graduate study in engineering.

[~~(b) Successfully passing a written, or written and oral, examination designed to show knowledge and skill approximating that attained through graduation from an approved four-year engineering curriculum, and a specific record of eight years or more of experience in engineering work of a character satisfactory to the board. The record of experience shall indicate that the applicant is competent to practice engineering. Engineers in training who are currently in the process of acquiring their experience will be allowed to take their professional engineering examination at the time when their experience requirements are met. Applications for engineers in training will be accepted until July 1, 1983, and those who are granted this status will be allowed to be licensed under this paragraph. No further application will be accepted after July 1, 1983, and licensing under this paragraph shall cease when all the candidates accepted shall meet the requirements.~~]

(2) Compliance with the requirements of any one of paragraphs (a), (b) or (c) of this subsection shall qualify an applicant for *registration* [~~a license~~] as a land surveyor:

(a) Any person holding a certificate of registration to engage in the practice of land surveying issued to him by the proper authorities of any state, territory, possession of the United States, District of Columbia, or any foreign country, based upon requirements and qualifications appearing in his application, which, in the opinion of the board, are equal to, or higher than, the requirements required to *be registered* [~~obtain a license~~] in this state[~~, may be registered and licensed~~] to practice land surveying [~~in this state~~].

(b) Any graduate from an [~~accredited~~] engineering or surveying curriculum of not less than four (4) years, at an institution approved by the board, followed by not less than four (4) years of land surveying experience under the direct supervision of a [~~regularly licensed and~~] registered land surveyor, *and who shall pass a written examination in the fundamentals of surveying, acceptable to the board, and a written examination in the principles and practices of land surveying, acceptable to the board* [~~and who shall pass a written examination, to be formulated by the board, designed to demonstrate that he is qualified to practice land surveying, shall be granted a license and registered as a land surveyor~~].

(c) Any person possessing eight (8) or more years of active experience in the practice of land surveying under the direct supervision of a [~~licensed and~~] registered land surveyor, and who shall pass a written examination *in the fundamentals of surveying, acceptable to the board, and a written examination in the principles and practices of land surveying, acceptable to the board*[~~, to be formulated by the board, designed to show that he is qualified to practice land surveying,~~] shall be [~~licensed and~~] registered as a land surveyor.

(3) In the consideration of the qualifications of applicants, engineering teaching may be construed as engineering experience.

(4) [~~The satisfactory completion of each year of an approved curriculum in engineering in a school or college approved by the board as of satisfactory standing, without graduation, shall be considered as equivalent to a year of experience required by paragraph (b) of subsection (1) of this section. Graduation in a curriculum other than engineering from a college or university of recognized standing may be considered as~~]

~~equivalent to two years of experience required by paragraph (b) of subsection (1), but no applicant shall receive credit for more than four years of experience because of undergraduate educational qualifications.~~

~~(5)~~] The mere execution as a contractor of work designed by an engineer or the supervision of the construction of such work as a foreman or superintendent shall not be considered practice in engineering.

(5)[~~(6)~~] Any person having the necessary qualifications prescribed in subsection (1) of this section shall be eligible for *registration* [~~a license~~] although he may not be practicing his profession at the time of making his application.

Section 5. KRS 322.050 is amended to read as follows:

No person shall be eligible for *registration* [~~a license~~] unless he is of good character and reputation, nor shall any person be eligible if he has been convicted of any felony involving moral turpitude or is adjudged by a court of competent jurisdiction mentally disabled.

Section 6. KRS 322.070 is amended to read as follows:

Applications for *registration* [~~licenses~~] shall be on forms prescribed and furnished by the board, shall contain statements made under oath, showing the applicant's education and a detailed summary of his technical work, and shall contain not less than five (5) references, of which at least three (3) shall be from engineers having personal knowledge of the applicant's engineering experience.

Section 7. KRS 322.100 is amended to read as follows:

The *registration* [~~license~~] fee for engineers or land surveyors shall not exceed *two hundred* [~~seventy-five~~] dollars *($200)* [~~($75)~~]. Of this amount, a sum not exceeding *one hundred* [~~fifty~~] dollars *($100)* [~~($50)~~] shall accompany the application, the remainder to be paid at the time or times determined by the board. If the board refuses to *register* [~~issue a license to~~] any applicant, the initial fee deposited shall be retained as an application fee.

Section 8. KRS 322.110 is amended to read as follows:

(1) The board shall *register,* [~~issue a license~~] upon payment of the *registration* [~~license~~] fee required by KRS 322.100, [~~to~~] any applicant who, in its opinion, has satisfactorily complied with the provisions of this chapter.

(2) The board may designate the various recognized branches of engineering and classify the applicant in the branch in which he may practice.

Section 9. KRS 322.120 is amended to read as follows:

(1) The board may, upon application and payment of a fee not exceeding *two hundred* [~~seventy-five~~] dollars *($200) register* [~~($75), issue a license to~~] any person who holds a certificate of qualification or registration issued to him by proper authority of the National Council of Engineering Examiners, the National Engineering Certification Committee or any state of the United States or any country, if the requirements under which the certificate of qualification or registration was issued do not conflict with this chapter and are of a standard not lower than those provided in KRS 322.040.

(2) The board may make all regulations governing the matter of reciprocity with other states and countries.

Section 10. KRS 322.130 is amended to read as follows:

(1) The *registration* [~~license~~] shall authorize the practice of engineering or land surveying in which the applicant is classified.

(2) The *registration* [~~license~~] certificate shall show the full name of the *registrant* [~~licensee~~], shall have a serial number and shall be signed by the chairman and the secretary-treasurer of the board, under the seal of the board.

Section 11. KRS 322.140 is amended to read as follows:

Registration [~~The issuance of a license~~] by the board shall be prima facie evidence that the person named in the *registration* [~~license~~] certificate is entitled to all the rights and privileges of a *registered* [~~licensed~~] engineer, or land surveyor, as long as the *registration* [~~license~~] remains unrevoked or unexpired.

Section 12. KRS 322.150 is amended to read as follows:

Every *registration* [~~license~~] shall *be valid for not more than two (2) years* [~~expire on the last day of June~~] following its issuance or renewal.

Section 13. KRS 322.160 is amended to read as follows:

(1) The secretary-treasurer of the board shall notify every *registrant* [~~licensee~~] of the date of the expiration of his *registration* [~~license~~] and the amount of the fee required for its renewal [~~for one (1) year~~]. Such notice shall be mailed at least one (1) month in advance of the expiration date. Renewals may be effected at any time *prior to the expiration date* [~~during June~~] by the payment of a fee not exceeding *an annual rate of fifty* [~~twenty~~] dollars *($50)* [~~($20)~~]. The failure of any *registrant* [~~licensee~~] to renew his *registration* [~~license annually in June~~] shall not deprive him of the right of renewal, but the fee to be paid for the renewal of a *registration* [~~license after June~~] shall be increased ten percent (10%) for each month or fraction of a month that payment of renewal is delayed. [~~But the maximum fee for delayed renewal shall not exceed twice the normal renewal fee.~~] Any person who fails to renew his *registration* [~~license~~] within one (1) year after expiration shall furnish the board with satisfactory evidence *of qualifications for continued practice. However, the board may require reexamination* [~~that he is of good character and reputation and has~~

~~continued to uphold the ethics of the profession and has maintained a competency to practice the profession~~].

(2) All persons who are required to pay renewal fees to the board shall not be required to pay such fees during the time such persons are actively serving in the armed forces of the United States. Any person who has previously paid any renewal fee covering a period during which he was actively serving in the armed forces of the United States shall, upon filing with the board a copy of his discharge, be granted a renewal *registration* [~~license~~] without the payment of any fee. The free renewal shall be for as many *registration* [~~license~~] years as were served by the *registrant* [~~licensee~~] in the armed forces and which were covered in whole or in part by the previous payment of a renewal fee *if the person has maintained a competency to practice the profession.*

Section 14. KRS 322.170 is amended to read as follows:

A new *registration* [~~license~~] certificate may be issued, subject to the rules of the board, to replace any certificate lost, destroyed or mutilated.

Section 15. KRS 322.180 is amended to read as follows:

The board shall have the power to suspend, refuse to renew, or revoke the *registration* [~~license~~] of [~~any registrant~~], to reprimand, [~~any registrant, or~~] to place [~~any registrant~~] on probation, *to levy a fine not to exceed one thousand dollars ($1,000) against, or any combination of the above, any registrant* who is found guilty by the board of:

(1) The practice of any fraud or deceit in obtaining *registration* [~~a license~~]; or
(2) Any gross negligence, incompetence or misconduct in the practice of engineering or surveying; or
(3) Having been convicted by a court of law of a felony involving moral turpitude; or
(4) Violation of the code of professional practice and conduct which has been adopted by the board.

Section 16. KRS 322.190 is amended to read as follows:

Any person or any organization may prefer charges of fraud, deceit, gross negligence, incompetence, misconduct or violation of the code of professional practice and conduct against any *registrant* [~~licensee~~]. The charges shall be in writing and shall be sworn to by the person or officer of the organization making them. They shall be filed with the *executive director* [~~secretary-treasurer~~] of the board.

Section 17. KRS 322.200 is amended to read as follows:

(1) All charges, unless dismissed by the board as unfounded or trivial, shall be heard by the board within six (6) months after the date on which they are preferred. Provided, however, that a charged party may waive his right to a hearing within six (6) months. The time and place of the hearing shall be fixed by the board, and a copy of the charges, together with a notice of the time and place of the hearing, shall be personally served on or mailed to the last known address of the *registrant* [~~licensee~~] at least thirty (30) days before the date fixed for the hearing.

(2) At any hearing, the accused may appear personally and by counsel, cross-examine witnesses appearing against him and produce evidence and witnesses in his own defense. If five (5) or more members of the board vote in favor of finding the accused guilty, the board shall revoke his *registration* [~~license~~], or suspend the same for such length of time as they may in the exercise of a sound discretion deem to be reasonable. Conduct of the hearing shall be governed by the administrative rules and regulations of the board, a copy of which shall be made available to every party scheduled for a hearing.

Section 18. KRS 322.210 is amended to read as follows:

Any person who feels aggrieved by any action of the board in refusing or revoking his *registration* [~~license~~] may appeal to the Franklin Circuit Court within thirty (30) days after the action complained of. After full hearing, that court shall sustain or reverse the action of the board.

Section 19. KRS 322.220 is amended to read as follows:

The board, subject to its rules, may reissue a *registration* [~~license~~] certificate to any person whose *registration* [~~license~~] has been revoked.

Section 20. KRS 322.240 is amended to read as follows:

Each appointed member of the board shall be a citizen of the United States and shall have been a resident of this state for five (5) years. Six (6) members of the board shall have been engaged in the practice of the profession of engineering for at least twelve (12) years, and shall have been in responsible charge of important engineering work or responsible charge of engineering teaching for at least five (5) years. One (1) member of the board shall be a citizen at large who is not associated with or financially interested in the practice or business regulated. At no time shall more than two (2) members whose qualifications are based on responsible charge of engineering teaching or more than two (2) members from the faculties of the engineering colleges of the state be appointed to the board. The engineer members of the board shall have been *registered* [~~licensed~~] engineers in Kentucky for at least four (4) years prior to the date of their appointments. In addition to the foregoing qualifications, two (2) members of the board shall be *registered* [~~licensed~~] land surveyors.

Section 21. KRS 322.270 is amended to read as follows:

Each member of the board shall receive not more than *fifty dollars ($50)* [~~$10~~] per day when actually attending to the work of the board or any of its committees and for the time spent in necessary travel. He shall also be reimbursed for all actual traveling, incidental and clerical expenses necessarily incurred in carrying out this chapter.

Section 22. KRS 322.290 is amended to read as follows:

(1) The board shall:

(a) Administer this chapter*;*[~~.~~]

(b) Adopt an official seal*; and*[~~.~~]

(c) Provide suitable office quarters at its own expense.

(2) The board *shall* [~~may~~]:

(a) Adopt and amend all bylaws and rules of procedure, consistent with the Constitution and laws of the state, and reasonably necessary for the proper performance of its duties and the regulation of the proceedings before it*;*[~~.~~]

(b) Employ *an executive director and* any *clerical* [~~clerk~~] or other assistants necessary for the proper performance of its work*;*[~~.~~]

(c) Employ any legal assistants that it considers necessary*;*[~~.~~]

(d) Make expenditures for any purpose that it considers reasonably necessary for the proper performance of its duties, including the expenses of the board's delegates to national conventions of and membership dues to the national council of engineering examiners or other affiliated national boards or societies*;*[~~.~~]

(e) Adopt and promulgate a code of professional practice and conduct, which shall be binding upon persons registered under this chapter, and which may be amended from time to time, and shall be made known to all registrants and applicants. The code of professional practice and conduct shall include, but not be limited to, the following objectives:

1. The protection of the public health, safety, and welfare;
2. The maintenance of standards of objectivity, truthfulness, and reliability in public statements;
3. The avoidance of conflicts of interest;
4. The prohibition of solicitation or acceptance of engineering work on any basis other than qualifications for the work offered;
5. The prohibition of association with any person engaging in illegal or dishonest activities;
6. The limitation of professional service to the area of competence of the registrant*;*[~~.~~]

(f) Adopt appropriate standards of practice for land surveying*; and*[~~.~~]

(g) Bring, in its name, injunctive proceedings in the Franklin Circuit Court to enjoin any person, firm, association, corporation or combination thereof in violation of KRS 322.020.

Section 23. KRS 322.300 is amended to read as follows:

The board shall keep a record of its proceedings and a register of all applications for *registration* [~~licenses~~]. The register shall state:

(1) The name, age and residence of each applicant;
(2) The date of the application;
(3) The place of business of the applicant;
(4) His educational and other qualifications;
(5) Whether or not an examination was required;
(6) Whether the applicant was rejected;
(7) Whether *registration* [~~a license~~] was granted;
(8) The date of the action of the board; and
(9) Any other information that the board considers necessary.

Section 24. KRS 322.320 is amended to read as follows:

(1) In carrying this chapter into effect the board, under the hand of its chairman and under its seal, may, in cases involving the revocation of a *registration* [~~license~~] or practicing or offering to practice without *registration* [~~a license~~], subpoena witnesses and compel their attendance, and require the production of books, papers and documents. Any member may administer oaths to witnesses appearing before the board.

(2) If any person refuses to obey any subpoena so issued, or refuses to testify or produce any books, papers or documents, the board may present its petition to any authority having jurisdiction, setting forth the facts. That authority shall, in a proper case, issue its subpoena to the person, requiring him to attend and testify or produce books, papers and documents considered necessary and pertinent by the board.

(3) Board members shall be held free of any personal liability as a result of board actions.

Section 25. KRS 322.330 is amended to read as follows:

The secretary-treasurer or that board employe properly authorized by the board shall:

(1) Receive and account for all money collected under this chapter and pay it into the State Treasury.

(2) Publish, during July of each year, a roster, or supplement thereto, showing the names and places of business of all *registered* [~~licensed~~] engineers and land surveyors. Copies of the roster shall be mailed to each *registered* [~~licensed~~] engineer and land surveyor, filed with the Secretary of State and furnished to the public upon request.

Section 26. KRS 322.340 is amended to read as follows:

Each *registrant* [~~licensee~~] shall, when he is *registered* [~~licensed~~], obtain a seal of the design authorized by the board, bearing his name and the words, "*Registered Professional Engineer", or "Registered* [~~Licensed~~] Land Surveyor". Plans, specifications, plats and reports approved by a *registrant* [~~licensee~~] shall be stamped with the seal when filed with public authorities, during the life of the *registration* [~~license~~], but no person shall stamp, [~~or~~] seal, *sign or date* any document with the seal after the *registration* [~~license~~] has expired or has been revoked, unless it has been renewed or reissued.

Section 27. KRS 322.350 is amended to read as follows:

(1) No person shall:

(a) Present or attempt to use as his own the *registration* [~~license~~] or seal of another*;*[~~.~~]

(b) Give any false or forged evidence to the board or to any member of the board in obtaining *registration;* [~~a license.~~]

(c) Falsely impersonate any other *registrant;* [~~licensee.~~]

(d) Attempt to use an expired or revoked *registration; or* [~~license.~~]

(e) Furnish free engineering or land surveying services as a part of any contract so drawn as to defeat the spirit of this chapter.

(2) The board, or persons designated by it, may prefer charges for violations of any provision of subsection (1) of this section in any circuit court.

Section 28. KRS 322.360 is amended to read as follows:

(1) Neither the state nor any of its political subdivisions shall engage in the construction of any public work involving engineering, unless the plans, specifications and estimates have been prepared and the construction executed under the direct supervision of a *registered* [~~licensed~~] engineer or a licensed architect.

(2) Subsection (1) of this section shall not apply to any public work in which the contemplated expenditure for the completed project does not exceed two thousand dollars, to the maintenance or repair of an existing state or county highway or to the construction, maintenance or repair of any capital construction project undertaken pursuant to KRS 56.491 the total cost of completion of which the executive department for finance and administration has determined will not exceed twenty-five thousand dollars ($25,000).

Section 29. KRS 322.370 is amended to read as follows:

This chapter shall not prevent a *registered* [~~licensed~~] engineer from carrying on any architectural practice incident to the practice of engineering.

Section 30. KRS 322.380 is amended to read as follows:

(1) No person not *registered* [~~licensed~~] under this chapter shall avoid or attempt to avoid this chapter by having a representative or employe seek engineering or land surveying work in his behalf.

(2) No person shall act as a representative or employe in the type of activity prohibited by subsection (1) *of this section.*

Section 31. KRS 322.400 is amended to read as follows:

It shall be unlawful for the county clerk of any county, or any other public authority with whom the same may be required by law to be filed, to accept for filing, file or record any map, plat, survey or other document related to the practice of land surveying, unless there is affixed thereto the personal seal and signature of a *registered* [~~licensed~~] land surveyor by whom, or under whose personal supervision and direction, such map, plat, survey or other document was prepared.

Section 32. KRS 322.420 is amended to read as follows:

(1) All applications for [~~licensing and~~] registration as a land surveyor shall be made upon forms to be provided by the board and shall be signed and sworn to by the applicant. In addition to such other information as the board may require, all applications shall contain a statement of the applicant's educational attainments and record of experience. References shall be furnished therein to not less than five (5) persons possessing direct personal knowledge of the experience and work done by the applicant, at least three (3) of whom shall be registered land surveyors. Applications shall be filed with the secretary to the board and shall be accompanied by an application fee, to be fixed by the board, in an amount not to exceed *two hundred* [~~seventy-five~~] dollars *($200)* [~~($75)~~]. In the event that the board shall, for good cause, deny the application, the fee accompanying the same shall be retained by the board to cover the cost of investigating and processing the same.

(2) All fees paid to and collected by the board under the provisions of this section shall be deposited in a depository designated by the board and disbursed only at the direction of the board. The officer or employe of the board who shall be designated to collect and disburse the funds represented by such fees shall be required to execute a bond, with corporate surety, in an amount to be determined by the board and reasonably calculated to cover the aggregate of such fees for a period of one (1) year.

Section 33. KRS 322.430 is amended to read as follows:

(1) If it shall come to the attention of the board, either by written complaint filed and signed by any adult citizen or through such sources as the board may in its discretion deem to be reliable, that any *registered* [~~licensed~~] land surveyor has procured his [~~license and~~] registration as the result of any fraud, deceit or false statement made in his application, or in any document subsequently filed to which he shall have affixed his seal or signature, or in any oral testimony subsequently given in support of such application, or that he has been guilty of any gross negligence, incompetence or other misconduct in connection with the practice of land

surveying, or has been convicted of any felony or crime involving moral turpitude, the board may revoke the [~~license and~~] registration of such person or suspend the same for such length of time as the board may deem reasonable in the exercise of its sound discretion.

(2) All proceedings instituted and conducted under the preceding subsection shall conform to the procedures set forth in KRS 322.190 to 322.220, inclusive.

Section 34. KRS 322.440 is amended to read as follows:

Every *registered* [~~licensed~~] land surveyor shall procure a personal seal, of a form approved by the board, which shall be affixed together with his signature *and date* upon all maps, plats, surveys, or other documents relating to the practice of land surveying, before the delivery thereof to any client, or before offering to file for record any such map, plat, survey, or other document, in the office of the county clerk of any county or any other public authority wherein the same may be required by law to be filed.

Section 35. KRS 322.450 is amended to read as follows:

The provisions of this chapter relating to the necessity of holding *registration* [~~a license~~] to engage in the practice of land surveying shall not apply to:

(1) Any employe or employes of the Kentucky bureau of highways, or any other subdivision of the government of the Commonwealth of Kentucky, working under the direct supervision and control of a qualified and registered civil engineer or land surveyor.

(2) Any person or persons engaged in the practice of land surveying which is limited to the measurement of crops or agricultural land area under any agricultural program sponsored by an agency of the federal government or of the State of Kentucky.

(3) Any employe or subordinate of a person holding a valid land surveyor's *registration* [~~license~~] under the provisions of KRS 322.010, 322.200, 322.230 to 322.250, 322.420 to 322.460, provided, however, that the work performed by such person does not include the preparation of any final maps, plats, or other documents relating to land surveying which might become the subject of public record, and providing that the work of such employe is performed under the direct supervision of, and verified by, his *registered* [~~licensed~~] employer.

Section 36. KRS 322.470 is amended to read as follows:

(1) A *registered* [~~professional~~] land surveyor, his agents, employes, and personnel under his supervision, may go on, over, and upon the lands of others when necessary to perform surveys for the location of property corners, boundary lines, rights-of-way, and easements, and, in so doing, may carry with them their customary equipment and vehicles. Entry under the right hereby granted shall not constitute trespass, and a professional land surveyor, his agents, employes, and personnel under his supervision shall not be liable to arrest or a civil action by reason of such entry; however, nothing in this section shall be construed as giving authority to a professional land surveyor, his agents, employes, or personnel under his supervision to destroy, injure, damage or move anything on the lands of another without the written permission of the landowner; and nothing in this section shall be construed as removing civil liability for such damages.

(2) A *registered* [~~professional~~] land surveyor, his agents, employes, and personnel under his supervision shall make reasonable effort to notify adjoining landowners upon whose land it is necessary to enter.

(3) No owner or occupant of the land shall be liable for any injury or damage sustained by any person entering upon said land under the provisions of this section.

Section 37. KRS 322.990 is amended to read as follows:

Any person who violates any provisions of this chapter shall be fined not less than one hundred dollars ($100) nor more than *one thousand* [~~five hundred~~] dollars *($1,000)* [~~($500)~~], or be imprisoned not more than three (3) months, or both.

Section 38. KRS 376.075 is amended to read as follows:

(1) Any *registered* [~~licensed~~] engineer and any land surveyor who performs professional services or services as defined in KRS 322.010(4) for engineers and KRS 322.010(6) for land surveyors shall have a lien on the building, structure, land or project on which such services were performed, to secure the amount thereof with interest as provided in KRS 360.040 and costs.

(2) The provisions of KRS 376.010(1) and (2) shall determine when a lien created under this section shall take precedence over a mortgage or other contract lien or bona fide conveyance for value without notice.

(3) No person hereunder who has not contracted directly with the owner or his agent shall acquire a lien under this section.

(4) Any lien provided for under this section shall be dissolved unless the claimant, within six months after he ceases to provide services, files in the office of the county clerk of the county in which the property is situated a statement of the amount due the claimant, with all just credits and setoffs known to him, together with a description of the property intended to be covered by the lien sufficiently accurate to identify it, the name of the owner, if known, and whether the services were furnished by contract with the owner or with a contractor or architect. This statement shall be subscribed and sworn to by the person claiming the lien or by

someone in his behalf.

(5) Any lien created under this section shall be dissolved unless an action is brought to enforce the lien within twelve months from the day of filing the statement in the clerk's office as required by subsection (4) hereunder. If the lienholder complies with all filing requirements under this section, and does so within the time herein fixed, his lien shall be valid and effective against any creditor of, or bona fide or other purchaser from, the owner of the property.

(6) The provisions of this section shall in no way abridge or conflict with the provisions of KRS 376.210 which provide for liens on public improvements, and any potential lien or valid lien of an engineer or land surveyor on a public improvement shall be governed by KRS 376.210.

The Committee Amendment No. 1 to **SB 340** is as follows:

Amend printed copy of **SB 340** on page 1, line 18, after the word "waters," by deleting the words "*teaching of advanced engineering subjects*".

The Committee Amendment No. 2 to **SB 340** is as follows:

Amend printed copy of **SB 340** on page 30, after line 18, by adding the following:

"SECTION 39. A NEW SECTION OF KRS CHAPTER 411 IS CREATED TO READ AS FOLLOWS:

Persons who design and construct portable or removable bridges, lifts, appliances or devices for physically impaired or disabled persons or who custom design such for individual users or such shall not be considered "practicing engineering" as defined by KRS 322.010(4)nor shall they need any license to provide such to a person missing an anotomical part of the human body."

The Committee Title Amendment to **SB 340** is as follows:

Amend printed copy of **SB 340** on page 1, by amending the Title to read as follows: "AN ACT relating to occupations and professions."

Motions, Petitions, and Communications (Continued)

Representative Blevins moved that Committee Amendment No. 1 and Committee Amendment No. 2 to **SB 252** be withdrawn. Agreed.

Representative P. Clark moved the adoption of Legislative Citation No. 135. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates Ninth and O Christian Academy Girls' Basketball Team and their fine coach, Jim Bagby, and assistant coach, Debbie Probus, 1984 Kentucky Christian Academy Conference Champions. Your season record reflects a demonstration of dedication, hard work, school spirit and personal sacrifice. We applaud you, Lady Knights, for an outstanding season which merits you state wide recognition. Your exceptionally high standard of performance requiring the best at all times is most exemplary, productive and rewarding. This prestigious body applauds you for your fine accomplishments and the honor and pride you have bestowed on your school, community and the Commonwealth of Kentucky. (Sponsored by Representative P. Clark)

Representative P. Richardson moved the adoption of Legislative Citation No. 134. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Paul D. Deaton, for your laudable service as the Clark County Extension Agent for the past eight years. Your exemplary record demonstrates great personal sacrifices and constant efforts to maintain and improve the Agricultural community of Clark County. Because you recognized the need for continuing education in your field, you initiated and particiapted in a pilot program for state extension agents to gain professional improvements by visiting and studying agricultural communities and universities in other states. Your humanitarian and benevolent spirit is admirably reflected in public service demonstrated through your involvement in organizing the Clark County Extension Council and the Clark County Livestock and Forage Council, being instrumental in the Livestock Board Sale, and active member on the Clark County Fair Board, past secretary of the State Agricultural Association and Past President of the Rotary Club. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution, and most noteworthy endeavors to your community and the Commonwealth of Kentucky. (Sponsored by Representative P. Richardson)

Representative Farrow moved the adoption of the Legislative Citation No. 136. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Harrison County Fillies Basketball Team and their fine coach, Virgil Jenkins, and assistant coaches, Debbie Biddle, Tish Williams, Connie Reffett, and V. Florence, 37th District Girls Champions in 1983 and 1984, 10th Regional Girls Runner-Up in 1984. Your season record of 22-7 reflects a demonstration of dedication, hard work, school spirit and personal sacrifice. We applaud you, Fillies, for an outstanding season which merits you state wide recognition. Your exceptionally high standard of performance requiring the best at all times is most exemplary, productive and rewarding. This prestigious body applauds you for your fine accomplishments and the honor and pride you have bestowed on your school, community and the Commonwealth of Kentucky. (Sponsored by Representative Farrow)

Representative Meyer moved the adoption of the following **HR 149:**

HR 149, A RESOLUTION adjourning the House in honor of Dicky Beal, upon his selection as Most Valuable Player in the NCAA Mid-East Regional Basketball Tournament.

WHEREAS, Dicky Beal has been a stellar performer for the University of Kentucky Basketball Team since leading Covington Holmes to the 1979 Boys High School Tournament; and

WHEREAS, in the last 11 games, Dicky Beal has provided the ball handling, dribbling, passing and outside shooting that has transformed a good team into one capable of winning the NCAA Championship; and

WHEREAS, Dicky Beal has had to overcome painful ankle and leg injuries over the previous 18 months, which would have permanently sidelined a lesser person; and

WHEREAS, in spite of considerable physical and emotional obstacles to overcome, Dicky Beal has proven his mettle, displaying the courage, determination and ability to pull the team together at the right moment to make crucial plays; and

WHEREAS, without Dicky Beal to break the press, recognize fast break opportunities, pass to teammates for scores and lead by his example and grit, UK would not have made the Final Four;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That Dicky Beal, point guard of the 1983-84 University of Kentucky Wildcats, be commended for his outstanding career, team play and leadership, as well as for the courage and determination he displayed in coming back from injuries to reverse the fortunes of this year's Wildcats.

Section 2. That when the House of Representatives does adjourn this day, March 26, 1984, it does so in honor of Dicky Beal, the inspirational leader of the 1983-84 Kentucky Wildcats.

Section 3. That a copy of this resolution be transmitted to Dicky Beal.

HR 149 was adopted by voice vote.

Representative Burch moved that **HB 378** and **HB 697** be withdrawn. Agreed.

Senate Message

Announcing passage of **HB 266** with Senate Amendment, **HB 515** with Senate Amendments, **HB 525** with Senate Amendment, **HB 557** with Senate Amendment, **HB 640** with Senate Amendment, **HB 758** with Senate Amendment, **HB 992** with Senate Amendment, **HB 358, HB 533, HB 615, HB 735, HB 772, HB 842,** and **HB 868.**

Motions, Petitions, and Communications (Continued)

Representative Reinhardt moved the adoption of Legislative Citations 137 through 149. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Pendleton

County High School Boys' Basketball Team, and your Coach Gary Turner, for winning the 38th District Basketball Tournament and being the Runner-Up in the 10th Region. Your excellent record of 24-8 reflects hard work, school loyalty, competitive spirit and a positive team effort. Your outstanding victory is an expressed manifestation of your high level of performance. This body applauds you for your fine accomplishments and the honor and pride you have bestowed on your school, community, and the Commonwealth of Kentucky. (Sponsored by Representative Reinhardt)

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Highlands High School Boys' Basketball Team, and their Coach Ken Shields, for winning the 36th District Basketball Tournament and being the Runner-Up in the 9th Regional Tournament. Your excellent record of 23-11 reflects hard work, school loyalty, competitive spirit and a positive team effort. Your outstanding victory is an expressed manifestation of your high level of performance. This body applauds you for your fine accomplishments and the honor and pride you have bestowed on your school, community, and the Commonwealth of Kentucky. (Sponsored by Representative Reinhardt)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Gina Ann Boling, lovely daughter of Mr. and Mrs. C. L. Boling of Foster, Kentucky, for being the only National Merit Semi-Finalist from Pendleton County High School. Your 3.80 grade point average and the rank of 5th in your senior class is especially noteworthy. A very hard worker who is always trying to maintain a high level of excellence, you are the type of student who will not back down from anything or anyone. Your plans to attend the University of Kentucky is indicative of your academic goals. Your high standards have brought great pride to your school an community. This prestigious body salutes you and extends to you our very best wishes for continued success. (Sponsored by Representative Reinhardt)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Thomas Michael Chalfant, son of Joseph and Pauline Chalfant of Falmouth, Kentucky for receiving a four year Air Force R.O.T.C. scholarship at the University of Kentucky. This is an outstanding honor because of the rigid requirements that have to be met to receive such an award. Your 3.88 grade point average and rank of fourth in your senior class at Pendleton County High School is exemplary of your academic accomplishments. As a member of the Math and Science Clubs, the National Honor Society and the schools' tennis team your leadership and talent are impressively demonstrated. This prestigious body salutes you and extends to you our very best wishes for continued success. (Sponsored by Representative Reinhardt)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Ben Drees, National Merit Finalist from Highlands High School, Ft. Thomas, Kentucky. This award is especially prestigious because over one million students entered the competition and those who qualified include the highest scorers in every state and represent the top half of one percent of this year's senior class. Your varied background of interests and achievements range from college course study in Japanese and physics to state wide awards in drafting, history and physics. Other accomplishments and hobbies include computers, classical and jazz music (being a student of the Preservational Jazz Band of New Orleans), and Astronomy. As you "march to the beat of a different drummer" your presence has made life richer for those who know you. Your plans to attend college and major in Electrical Engineering is indicative of your high goals. This prestigious body salutes you and extends to you our very best wishes for continued success. (Sponsored by Representative Reinhardt)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Karri Jo Kearns, the lovely daughter of Brenda Kearns of Falmouth, Kentucky, for the distinctive honor of holding a 3.95 grade point average and being ranked number two in the senior class. As a senior at Pendleton County High School, we are proud of your leadership and talent demonstrated with your membership in the Student Council, the National Honor Society, the band and the chorus programs. Being an accomplished pianist is especially noteworthy. Your plans to attend Eastern Kentucky University and major in math is exemplary of your academic accomplishments and indicative of your goals. This prestigious body salutes you and extends to you our very best wishes for continued success. (Sponsored by Representative Reinhardt)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Beth Prewitt, the lovely daughter of Jerry and Judy Prewitt of Falmouth, Kentucky, for your outstanding activities as a student at Pendleton Middle School. Your 3.5 grade point average ranks you academically high at your school. A member of 4-H Agriculture, you have been chosen 4-H Speaker of the Year and won an award in 4-H Home Furnishings. As a member of the Pendleton Middle School Black Basketball Team, your skill and leadership has helped you hold the position of starting center. This prestigious body salutes you and extends to you our very best wishes for continued success. (Sponsored by Representative Reinhardt)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Gary Schulte, coach of the Newport Central Catholic High School Boys' Basketball Team for the Outstanding leadership that has brought unsurpassed honor and recognition to you and your team. You have been selected as "Associated Press Coach of the Year" for 1983-84 and the Ninth Region Coach of the Year for 1982. As head coach of the "Thoroughbreds," you have compiled the best winning percentage in the Ninth Region in the past four years. Your excellent season record of 33-2 took your team to the "Sweet Sixteen" State Tournament this year, which is exemplary of your exceptional leadership and high standard of performance requiring the best at all times. This honorable body salutes you for your magnanimous contributions toward the development of the future leaders of our Commonwealth and we extend our best wishes for success in your future endeavors. (Sponsored by Representative Reinhardt)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Keith Slater, National Merit Finalist from Highlands High School, Ft. Thomas, Kentucky. This award is especially prestigious because over one million students entered the competition and those who qualified include the highest scorers in every state and represent the top half of one percent of this year's senior class. President of the Drama Club, a Section Leader of the band, being chosen by the faculty as the Most Outstanding Junior, the representative from Highland's as one of Kentucky's "Golden 100" top juniors throughout the state, Highland's representative to Kentucky Boy's State, and the Danforth Foundation recipient for 1983 is exemplary of your exceptional leadership abilities. Especially noteworthy is the fact that you have earned member status in the Cum Laude Society and the National Honor Society and won an expense paid six weeks in Germany in a contest sponsored by the American Association of Teachers in German. A young man of strong religious beliefs, you are active in your church as vice-president of the Youth Group and have started a Bible study group for high school students. Your self-expressed goal of "not to deal with others differently from myself...to drop all expectations of others until can live up to my own." is indicative of your ability to realize what and where you are. This prestigious body salutes you and extends to you our very best wishes for continued success. (Sponsored by Representative Reinhardt)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Lisa Marie Taylor, daughter of Lawrence and Gloria Tyalor of California, Kentucky, for the impressive honor of have a 4.0 grade point average and being ranked number one in your senior class at Pendleton County High School. Presidencies of the Student Council and the National Honor Society, captain of the tennis team, and your perfect attendance for the last six years, is exemplary of your exceptional leadership abilities. Your plans to attend either Transylvania University or the University of Kentucky and major in premed to obtain a degree in Optometry, it is indicative of your academic goals. Your high standards have brought great pride to your school and community. This prestigious body salutes you and extends to you our very best wishes for continued success. (Sponsored by Representative Reinhardt)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Joseph Dwayne West, son of Joseph and Joan West of Demossville, Kentucky, for the honor of representing Pendleton County High School in the National D.E.C.A. competitions in Kansas City, Missouri. Your school recognizes you as one of their better retailing students. Being a co-op student and working at Moreland Drugs is indicative of the ability you have to handle responsibilities. We praise you for your interest in computers and hope that your career decision will offer you the greatest of challenges in your future endeavors. This prestigious body salutes you and extends to you our very best wishes for continued success. (Sponsored by Representative Reinhardt)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Jeffrey L. Winters, National Merit Finalist from Highlands High School, Ft. Thomas, Kentucky. This award is especially prestigious because over one million students entered the competition and those who qualified include the highest scorers in every state and represent the top half of one percent of this year's senior class. Your talents are many as you are a four year member of the band program and various school clubs. You have been awarded with National Honor Society and Cum Laude Society status recognition of your academic, leadership and service roles at school. Your membership in the scouting program is especially noteworthy as you have reached Star Scout Rank. Your plans to attend college and major in premed is indicative of your high goals. This prestigious body salutes you and extends to you our very best wishes for continued success. (Sponsored by Representative Reinhardt)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Jennifer Wright, lovely daughter of Larry and Virgina Wright of Pendleton County, Kentucky, for your outstanding achievements while a student at Pendleton County Middle School. In the seventh grade you won awards in science, English, social studies, chorus, reading and in health. This year you won a National Science Merit Award chosen on the basis of work, scores, and overall leadership ability. As a member of the Pendleton

Middle Red Basketball Team, you won a Free Throw Award for Junior Historical Society exhibits your exceptional leadership abilities. Your plans to attend the University of Kentucky and enroll in Dentistry, is indicative of your high goals. This prestigious body salutes you and extends to you our very best wishes for continued success. (Sponsored by Representative Reinhardt)

The following Floor Amendments were filed to Bills and Resolutions:

Floor Amendment No. 1 to **SCR 42,** by Representative F. Smith:

Amend printed copy **SCR 42** on page 2, line 7, after the "." insert the following: "That the Legislative Research Commission is directed to conduct a study of the physical education programs in the public schools of Kentucky. The study shall focus on the quality of physical education training in the elementary, middle, and secondary schools, the impact of budget reductions during the 1980-81 and 1981-82 school years on physical education programs in the state, the quality of physical education teacher training programs, and the extent to which teachers without physical education training are conducting physical education programs. The study shall include recommendations for improving the physical education programs in the public schools.

Section 3."

on page 2, line 13, delete the number "10,000" and insert in lieu thereof: "24,000".

Floor Title Amendment to **SB 71,** by Representative B. Richardson:

Amend printed copy of **SB 71** on page 1, by amending the title to read as follows:

"AN ACT proposing to amend the Constitution of Kentucky relative to public officers."

Floor Amendment No. 2 to **SB 71,** by Representative B. Richardson:

Amend printed copy of **SB 71** on page 1, line 1, after "Section 1." insert the following language:

"It is proposed that Section 84 of the Constitution of Kentucky be amended to read as follows:

Should the Governor be impeached and removed from office, die, refuse to qualify, resign, be absent from the State, or be, from any cause, unable to discharge the duties of his office, the *President of the Senate* [~~Lieutenant Governor~~] shall exercise all the power and authority appertaining to the office of Governor until another be duly elected and qualified, or the Governor shall return or be able to discharge the duties of his office. On the trial of the Governor, the *President of the Senate* [~~Lieutenant Governor~~] shall not [~~act as President of the Senate or~~] take part in the proceedings, but the Chief Justice of the Court of Appeals shall preside during the trial.

Section 2. It is proposed that Section 85 of the Constitution of Kentucky be amended to read as follows:

A President [~~pro tempore~~] of the Senate shall be elected by each Senate as soon after its organization as possible, [~~the Lieutenant Governor vacating his seat as President of the Senate until such election shall be made;~~] and as often as there is a vacancy in the office of President [~~pro tempore~~], another President [~~pro tempore~~] of the Senate shall be elected by the Senate, if in session. [~~And if,~~] During *a* [~~the~~] vacancy of the office of Governor, [~~the Lieutenant Governor shall be impeached and removed from office, refuse to qualify, resign, die or be absent from the State,~~] the President [~~pro tempore~~] of the Senate shall [~~in like manner~~] administer the government: Provided, Whenever a vacancy shall occur in the office of Governor before the first two years of the term shall have expired, a new election for Governor shall take place to fill such vacancy.

Section 3. It is proposed that Section 86 of the Constitution of Kentucky be amended to read as follows:

The [~~Lieutenant Governor, or President pro tempore of the Senate, while he acts as~~] President of the Senate[~~,~~] shall receive for his *legislative* services the same compensation which shall, for the same period, be allowed to the Speaker of the House of Representatives, and during the time he administers the government as Governor, he shall receive the same compensation which the Governor would have received had he been employed in the duties of his office.

Section 4. It is proposed that Section 87 of the Constitution of Kentucky be amended to read as

follows:

If the *President of the Senate* [~~Lieutenant Governor~~] shall be called upon to administer the government, and shall, while in such administration, resign, die, or be absent from the State during the recess of the General Assembly, [~~if there be no President pro tempore of the Senate,~~] it shall be the duty of the Secretary of State, for the time being, to convene the Senate for the purpose of choosing a President; and until a President is chosen, the Secretary of State shall administer the government. If there be no Secretary of State to perform the duties devolved upon him by this section, or in case that officer be absent from the State, then the Attorney-General, for the time being, shall convene the Senate for the purpose of choosing a President, and shall administer the government until a President is chosen.

Section 5. It is proposed that Section 90 of the Constitution of Kentucky be amended to read as follows:

Contested elections for Governor [~~and Lieutenant Governor~~] shall be determined by both Houses of the General Assembly, according to such regulations as may be established by law.

Section 6."

and on page 2, line 2, delete "2" and insert in lieu thereof "7";

and on page 2, line 18, delete "3" and insert in lieu thereof "8";

and on page 2, line 21, insert brackets around and strike through "lieutenant governor,";

and on page 3, line 2, delete "4" and insert in lieu thereof "9";

and on page 4, line 14, delete "5" and insert in lieu thereof "10";

and on page 4, line 18, after "expire." insert the following language:

"Section 11. It is proposed that the following sections of the Constitution of Kentucky be repealed:

Section 82. Lieutenant governor; election, term, qualifications; Not to succeed himself.

Section 83. Lieutenant governor is president of senate; Right to vote."

and on page 4, line 19, delete "6" and insert in lieu thereof "12";

and on page 4, line 15, after "the" insert "lieutenant governor and the";

and on page 4, line 17, delete "his" and insert in lieu thereof "their";

and on page 4, line 18, delete "term" and insert in lieu thereof "terms".

Floor Title Amendment to **SB 86,** by Representative Blevins:

Amend printed copy of **SB 86** on page 1, by amending the Title to read as follows: "AN ACT relating to the professional firefighters foundation program and the law enforcement foundation program funds."

Floor Amendment No. 1 to **SB 86,** by Representative Blevins:

Amend printed copy of **SB 86** on page 1, following line 18 by adding the following:

"Section 2. KRS 15.420 is amended to read as follows:

As used in KRS 15.410 to 15.510, unless the context otherwise requires:

(1) "Local unit of government" means any city or county, or any combination of cities and counties, of the commonwealth, *or any public institution of higher education which has established a safety and security department pursuant to KRS 164.950.*

(2) "Police officer" means a full-time member of a lawfully organized police department of county or city government who is responsible for the prevention and detection of crime and the enforcement of the general criminal laws of the state, *or a full-time member of a safety and security department of a public institution of higher education whose powers and duties are prescribed in KRS 164.955,* but does not include Kentucky state police, any elected officer, sheriff, deputy sheriff, constable, deputy constable, district

detective, deputy district detective, special local peace officer, auxiliary police officer or any other peace officer not specifically authorized in KRS 15.410 to 15.510."

Floor Amendment No. 1 to sB 116, by Representative Hancock:

Amend printed copy of **SB 116** on page 1, line 7, after "*conduct*" by inserting "*an annual*".

Floor Amendment No. 2 to **SB 116,** by Representative Hancock:

Amend printed copy of HCA 1 to **SB 116** on page 1, line 4, after "*except* by inserting "*an annual lottery, gift enterprise or sweepstakes*" and by deleting "*those*"; and

on line 5, after "*which*" by inserting "*utilizes*" and by deleting "*utilize*".

Floor Amendment No. 3 to **SB 116,** by Representative Johnson:

Amend printed copy of **SB 116** on page 1, line 17, after "Section 2." insert the following language:

"So as to insure the fair presentation of this amendment to the electorate of the Commonwealth as provided in Section 3 of this Act, no corporation or other business entity organized or doing a majority of its business outside of the Commonwealth shall, directly or through its employees or agents, expend funds to support the adoption or defeat of this amendment in an amount greater than three thousand dollars ($3,000).

Section 3."

Floor Amendment No. 1 to **SB 178,** by Representative Gray:

Amend printed copy of **SB 178** on page 15, after line 5, by adding the following:

"Section 14. KRS 278.290 is amended to read as follows:

(1) Subject to the provisions of subsection (2) of this section, the commission may ascertain and fix the value of the whole or any part of the property of any utility in so far as the value is material to the exercise of the jurisdiction of the commission, and may make revaluations from time to time and ascertain the value of all new construction, extensions and additions to the property of the utility. In fixing the value of any property under this subsection, the commission shall give due consideration to the history and development of the utility and its property, original cost, cost of reproduction as a going concern, capital structure, and other elements of value recognized by the law of the land for rate-making purposes.

(2) The commission shall not value or revalue the property of any utility unless the valuation or revaluation is necessary or advisable in order to determine the legality or reasonableness of any rate or service or of the issuance of securities, and then only after an investigation affecting the rate, service or securities has been instituted by the commission upon complaint or application or upon its own motion, and a hearing has been held on reasonable notice.

(3) In any rate investigation where the utility serves two (2) or more municipalities, the commission may, in computing the rate of return on the property used and useful, take as the base for the computation the valuation of the system as a whole, but may make a differential in the case of an individual municipality in proportion to the increased cost of service, if the utility can show that such a differential should be allowed.

(4) In any rate-making proceeding, the commission shall recognize and accept as a legitimate operating expense any amounts paid by a utility pursuant to a collective bargaining agreement entered into by the utility and the official bargaining representative of its collective bargaining unit.

Floor Amendment No. 1 to **SB 202,** by Representative Farrow:

Amend printed copy of **SB 202** on page 12, after line 20, insert the following:

"Section 9. KRS 161.750 is amended to read as follows:

(1) Any teacher employed under a limited contract shall at the expiration of such limited contract be deemed re-employed under the provisions of KRS 161.720 to 161.810 for the succeeding school year at the same salary plus any increment or decrease as provided by the salary schedule, unless the superintendent of schools has recommended to the board of education that the contract of the teacher not be renewed and unless the board has voted to approve said recommendation.

(2) If the board of education approves the superintendent's recommendation, as provided in subsection (1) of this section, the board must present written notice to the teacher that the contract will not be

renewed no later than *May 31* [~~April 30~~] of the school year during which the contract is in effect. Upon receipt of a request by the teacher, the board shall provide a written statement containing the specific, detailed and complete statement of grounds upon which the nonrewal of contract is based.

(3) Upon failure of the employing board of education to act favorably on the recommendation of the superintendent not to renew a contract as required by subsection (1) of this section, to give written notice of said nonrenewal as required by subsection (2) of this section or to provide the written statement of grounds required by subsection (2) of this section the teacher shall receive a contract of employment for the next school year; and, if the teacher has served the number of years as required by KRS 161.740(1)(b) or (c), said contract of employment shall be a continuing contract. Such teacher shall be presumed to have accepted such employment, unless he shall notify the board of education in writing to the contrary on or before the fifteenth day of June, and a written contract for the succeeding year shall be executed accordingly."

Floor Title Amendment to **SB 204**, by Representative Moberly:

Amend printed copy of **SB 204** on page 1, by deleting the Title and inserting in lieu thereof: "AN ACT relating to education."

Floor Amendment No. 1 to **SB 251**, by Representative F. Smith:

Amend printed copy of **SB 251** on page 20, after line 17, by adding the following language:

"Section 10. KRS 42.066 is amended to read as follows:

(1) The division of occupations and professions shall provide administrative services, technical assistance and advice to the following boards and commissions at the request of the individual boards or commissions, all of which maintain their identity and their full authority for making policy decisions in the fields that they regulate: the state board of accountancy, Kentucky athletic commission, the state board of examiners and registration of architects, the Kentucky board of barbering, the Kentucky board of hairdressers and cosmetologists, the state board of podiatry, the Kentucky state board of chiropractic examiners, the Kentucky board of dentistry, the state board of embalmers and funeral directors, the state board of registration for professional engineers and land surveyors, the board of nursing education and nurse registration, the Kentucky board of ophthalmic dispensers, the Kentucky board of optometric examiners, the Kentucky board of pharmacy, the state board of physical therapy, the board of examiners of psychologists, the state real estate commission, the Kentucky board of veterinary examiners, the Kentucky board of examiners in watchmaking, the state board of auctioneers, the state board for proprietary education, the state board of examiners and registration of landscape architects, the state board of medical licensure, the state board of examiners of speech pathology and audiology, the Kentucky board of licensure for nursing home administrators, the Kentucky board for licensing hearing aid dealers, the state board of examiners of social work of Kentucky, and such other boards and commissions as are created to license, certify, register or otherwise regulate any occupational or professional category.

(2) To the extent that the division does provide administrative services, the respective boards and commissions are relieved of the power and duty to provide the services for themselves. The division shall charge each board or commission a reasonable amount for administrative services provided pursuant to subsection (1) of this section. The division may employ persons previously employed by boards or commissions.

(3) The division may receive complaints against the conduct of licensees granted licensure by the boards and commissions assigned to the division for administrative purposes. The division shall cause such complaints to be reduced to writing and forwarded to the appropriate board or commission for investigation and a determination of the validity of the complaint. The division shall keep a record of all complaints received by it and forwarded to a board or commission. *The division shall devise and have published a standardized complaint form to be made available to and used by the boards and commissions in handling complaints. The division may charge a fee for the forms not to exceed the actual cost of devising and publishing the forms.*

SECTION 11. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO READ AS FOLLOWS:

(1) A board or commission shall receive complaints concerning any person licensed under its respective enabling statutes. A complaint shall be made on forms provided by the division to the boards and commissions for such persons. A board or commission may, at its discretion, accept telephone complaints. A board or commission shall not accept an anonymous complaint unless it believes the nature of the complaint is sufficiently serious to pose a real and present danger to the public health or safety.

(2) Each complaint shall contain the name of the licensee against whom the complaint is lodged, the name, address and phone number of the complaining party, the date of the complaint, a brief statement of the nature of the complaint and the final disposition of the complaint. A copy of each complaint shall be

forwarded to the division if the complaint did not originate in the division. A complaint shall not be subject to public inspection unless the complaint results in disciplinary action being taken against the licensee. Records of complaints shall be maintained by a board or commission for five (5) years.

(3) A board or commission shall investigate any complaint duly received by it and shall promulgate necessary and reasonable rules and regulations for the conduct of such investigations. If a complaint is substantiated by investigation and the complaint constitutes a violation of law or regulations under which the licensee practices, the board or commission shall take disciplinary action consistent with enforcement provisions of its enabling statutes. The complaint shall be notified of the final disposition of his complaint as well as any disciplinary action initiated as a result of his complaint. The provisions of this section shall not be construed as preventing a board or commission from initiating an investigation on its own volition.

(4) By September 1 of each year a board or commission shall have completed a report on complaints processed by it in the preceding fiscal year. The report shall contain complete information on complaints resulting in disciplinary actions and a statistical summary of other complaints. A copy of the report shall be forwarded to the division and to the legislative research commission and shall be made available to any person upon request."

Floor Title Amendment to **SB 252**, by Representative F. Smith:

Amend printed copy of **SB 252** on page 1, by amending the Title to read as follows: "AN ACT relating to licensing."

Floor Amendment No. 2 to **SB 252**, by Representative F. Smith:

Amend printed copy of **SB 252** on page 18, after line 11, by adding the following language:

"Section 12. KRS 42.066 is amended to read as follows:

(1) The division of occupations and professions shall provide administrative services, technical assistance and advice to the following boards and commissions at the request of the individual boards or commissions, all of which maintain their identity and their full authority for making policy decisions in the fields that they regulate: the state board of accountancy, Kentucky athletic commission, the state board of examiners and registration of architects, the Kentucky board of barbering, the Kentucky board of hairdressers and cosmetologists, the state board of podiatry, the Kentucky state board of chiropractic examiners, the Kentucky board of dentistry, the state board of embalmers and funeral directors, the state board of registration for professional engineers and land surveyors, the board of nursing education and nurse registration, the Kentucky board of ophthalmic dispensers, the Kentucky board of optometric examiners, the Kentucky board of pharmacy, the state board of physical therapy, the board of examiners of psychologists, the state real estate commission, the Kentucky board of veterinary examiners, the Kentucky board of examiners in watchmaking, the state board of auctioneers, the state board for proprietary education, the state board of examiners and registration of landscape architects, the state board of medical licensure, the state board of examiners of speech pathology and audiology, the Kentucky board of licensure for nursing home administrators, the Kentucky board for licensing hearing aid dealers, the state board of examiners of social work of Kentucky, and such other boards and commissions as are created to license, certify, register or otherwise regulate any occupational or professional category.

(2) To the extent that the division does provide administrative services, the respective boards and commissions are relieved of the power and duty to provide the services for themselves. The division shall charge each board or commission a reasonable amount for administrative services provided pursuant to subsection (1) of this section. The division may employ persons previously employed by boards or commissions.

(3) The division may receive complaints against the conduct of licensees granted licensure by the boards and commissions assigned to the division for administrative purposes. The division shall cause such complaints to be reduced to writing and forwarded to the appropriate board or commission for investigation and a determination of the validity of the complaint. The division shall keep a record of all complaints received by it and forwarded to a board or commission. *The division shall devise and have published a standardized complaint form to be made available to and used by the boards and commissions in handling complaints. The division may charge a fee for the forms not to exceed the actual cost of devising and publishing the forms.*

SECTION 13. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO READ AS FOLLOWS:

(1) A board or commission shall receive complaints concerning any person licensed under its respective enabling statutes. A complaint shall be made on forms provided by the division to the boards and commissions for such purposes. A board or commission may, at its discretion, accept telephone complaints. A board or commission shall not accept an anonymous complaint unless it believes the nature of the complaint is sufficiently serious to pose a real and present danger to the public health or safety.

(2) Each complaint shall contain the name of the licensee against whom the complaint is lodged, the name, address and phone number of the complaining party, the date of the complaint, a brief statement of the nature of the complaint and the final disposition of the complaint. A copy of each complaint shall be forwarded to the division if the complaint did not originate in the division. A complaint shall not be subject to public inspection unless the complaint results in disciplinary action being taken against the licensee. Records of complaints shall be maintained by a board or commission for five (5) years.

(3) A board or commission shall investigate any complaint duly received by it and shall promulgate necessary and reasonable rules and regulations for the conduct of such investigations. If a complaint is substantiated by investigation and the complaint constitutes a violation of law or regulations under which the licensee practices, the board or commission shall take disciplinary action consistent with enforcement provisions of its enabling statutes. The complaint shall be notified of the final disposition of his complaint as well as any disciplinary action initiated as a result of his complaint. The provisions of this section shall not be construed as preventing a board or commission from initiating an investigation on its own volition.

(4) By September 1 of each year a board or commission shall have completed a report on complaints processed by it in the preceding fiscal year. The report shall contain complete information on complaints resulting in disciplinary actions and a statistical summary of other complaints. A copy of the report shall be forwarded to the division and to the legislative research commission and shall be made available to any person upon request."

Floor Amendment No. 1 to **SB 275**, by Representative Clapp:

Amend printed copy of **SB 275** on page 8, by deleting lines 20, 21, 22, 23, 24 and inserting in lieu thereof:

"*(1) A corporation may elect to be subject to the provisions of this Act by including a statement in its initial articles of incorporation, or by amending its articles of incorporation in the manner required by KRS Chapter 271A to include a statement, that the corporation has elected to be subject to the provisions of this Act. In the event the initial articles of incorporation or amended articles of incorporation of a corporation contain such a provision, then in addition to any vote otherwise required by law of the articles of incorporation of the corporation, a business combination shall be recommended by the board of directors and approved by the affirmative vote of at lease:*"

on page 15, by deleting lines 7 through 26 in their entirety;

on pages 16 and 17, by deleting lines 1 through 26 in their entirety;

on page 18, by deleting lines 1 through 21 in their entirety.

Floor Amendment No. 2 to **SB 275**, by Representative Guenthner:

Amend printed copy of **SB 275** on page 27, by adding after line 13 the following:

"SECTION 7. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

As used in this Act, unless the context otherwise requires:

(1) "Qualified investment" means new stock or a new partnership interest in a qualified entity, which stock or interest is purchased solely for cash by the taxpayer.

(2) "New stock" means a share or shares of stock of a corporation if the stock, when purchased by the taxpayer, is authorized but unissued.

(3) "New partnership interest" means either a general or a limited partnership interest in a limited partnership if the interest is acquired by the taxpayer from the limited partnership.

(4) "Qualified entity" means the local development corporation, and any other corporation or limited partnership in which the local development corporation purchases new stock or a new interest pursuant to Section 6 of this Act.

(5) "Local development corporation" means the corporation organized pursuant to Sections 6 and 7 of this Act.

(6) "State tax liability" means a taxpayer's total tax liability that is incurred under:

(a) KRS 141.020, individual income tax;
(b) KRS 141.040, corporate income tax;
(c) KRS 136.270(1), state bank shares tax;
(d) KRS 132.020(2), state tax on intangible personal property;
(e) KRS 136.310, savings and loan association tax; and

(f) KRS 136.330, insurance premiums tax;
as computed after the application of the credits, except the credits provided by this Act, that the taxpayer uses to reduce that liability.

(7) "Taxpayer" means any person, corporation, partnership, or other entity that has any state tax liability.

(8) "County judge/executive" means the county judge/executive or the chief executive officer of an urban-county government.

SECTION 8. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

Subject to Section 5 of this Act, a taxpayer is entitled to a credit against any state tax liability which may be imposed on the taxpayer for a particular taxable year that begins after December 31, 1984, if the taxpayer purchases a qualified investment in a qualified entity. However, a taxpayer may only receive a credit for qualified investments purchased within three (3) years of the creation of the local development corporation.

SECTION 9. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

Subject to Section 5 of this Act, the amount of the credit that a taxpayer may receive under this Act for a particular taxable year is equal to the lesser of the taxpayer's state tax liability for that taxable year, or the amount determined in step three of the following steps:

Step one: Add the consideration paid for all qualified investments the taxpayer purchased during that taxable year;

Step two: Multiply the amount determined in step one by three-tenths (.3): and

Step three: Add the product determined in step two to the credit carryover, if any, to which the taxpayer is entitled for that taxable year under Section 6 of this Act.

SECTION 10. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

If the amount determined under steps one through three of Section 3 of this Act for a particular taxpayer and a particular taxable year exceeds the taxpayer's state tax liability for that taxable year, then the taxpayer may carry the excess over to the immediately succeeding taxable years. However, the credit carryover may not be used for any taxable year that begins on or after January 1, 1990. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this Act for any subsequent taxable year. A credit based on a qualified investment purchased during 1984 shall be a credit carryover to taxable years that begin after 1984.

SECTION 11. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The total amount of credits allowed under this Act may not exceed in the aggregate two million dollars ($2,000,000) for each local development corporation for all taxpayers making qualified investments in such corporation and all taxable years. The aggregate amount of consideration paid by all taxpayers for qualified investments in a particular qualified entity, other than the local development corporation, which may be used by all those taxpayers as a basis for credits under this Act, may not exceed an amount equal to five (5) times the amount of consideration paid by the local development corporation for new stock or a new partnership interest in the qualified entity. The local development corporation shall administer the provisions of this section and shall issue the forms required by Section 14 of this Act only to the extent consistent with the limits in this section. If aggregate consideration paid for qualified investments which would otherwise qualify for the credit provided by this Act exceeds the limits imposed by this section, the credit shall be allowed to taxpayers in the order of the time of the purchase of the qualified investments.

SECTION 12. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) To carry out the purposes of this Act, the local development corporation shall be formed under KRS Chapter 271A. The articles of incorporation of the local development corporation shall comply with the provisions set forth in subsections (2) through (6) of this section.

(2) The purpose of the local development corporation shall be solely to raise funds which shall be used to make investments in qualified entities described in subsection (4) of this section; to provide financing to Kentucky business firms; and to make investments in qualified entities described in subsection (5) of this section in a manner that will encourage capital investment in the Commonwealth of Kentucky, encourage the establishment or expansion of business and industry in the state, provide additional jobs within the state, and encourage research and development activities.

(3) The directors need not be shareholders in the local development corporation, and there shall be not less than three (3) nor more than seven (7) directors, three (3) of whom shall be persons who have been nominated to be directors by the county judge/executive.

(4) The local development corporation may purchase new stock in a corporation organized under KRS Chapter 271A or may purchase a new partnership interest in a limited partnership that has its principal

office located in Kentucky if the corporation or partnership:

(a) Has received a license or a statement of intent to license as a small business investment company from the small business administration of the United States under the small business investment act of 1958, as amended; and

(b) Is organized and operated solely for the purpose of performing the functions and conducting the activities contemplated by the small business investment act of 1958, as amended.

(5) The local development corporation may purchase new stock in a corporation organized under KRS Chapter 271A or may purchase a new partnership in a limited partnership that has its principal office located in Kentucky, and provide financing to entities doing business primarily in Kentucky, including but not limited to minority businesses, corporations and partnerships, to be used solely for the purpose of enhancing the production capacity of the entity or the ability of the entity to do business in Kentucky. The financing may include any or a combination of equity investments, loans, guarantees, and commitments for financing, and the amount of financing is unlimited.

(6) No business shall be transacted or indebtedness incurred, except such as shall be incidental to the local development corporation's organization or to obtaining subscriptions to or payment for its shares, until the sum of legally enforceable subscriptions and consideration for shares equals at least five hundred thousand dollars ($500,000). Amounts paid in shall be the initial stated capital of the local development corporation.

SECTION 13. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) The county judge/executive may petition the secretary of the commerce cabinet for the creation of a local development corporation on his own initiative or on suggestion of the secretary of the commerce cabinet or any other interested party. The petition shall be accompanied by a draft copy of the articles of incorporation of the proposed corporation and other information that the secretary of the commerce cabinet deems appropriate. The secretary of the commerce cabinet shall consult with the secretary of the revenue cabinet and shall, within ninety (90) days of the receipt of the application, render a decision approving or disapproving the creation of the local development corporation.

(2) Following the approval of the secretary of the commerce cabinet, the county judge/executive may cause the local development corporation to be formed, and he shall designate the incorporators and the first board of directors, no more than a simple majority of which may be members of the same political party. The county judge/executive may expend such funds as he deems appropriate for the purpose of organizing the local development corporation and marketing the securities thereof.

SECTION 14. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The local development corporation is exempt from any and all state tax levies including, but not limited to, the corporate income tax (KRS 141.040) and intangibles tax (KRS 132.020(2)). However, the local development corporation is not exempt from employment taxes or any taxes imposed by a county or by a municipal corporation.

SECTION 15. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) Except as provided in subsection (2) of this section, income that is taxable to a taxpayer who purchased a qualified investment by reason of ownership of the qualified investment is exempt from income tax under KRS 141.020 or 141.040.

(2) The exemption provided under subsection (1) of this section shall not apply to any income realized by reason of the sale or other disposition of the qualified investment.

SECTION 16. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

Any taxpayer is exempt from any tax to the extent that the tax is based on or measured by the qualified investment, including, but not limited to, any tax which might otherwise be imposed with respect to the qualified investment under the intangibles tax (KRS 132.020(2)), the bank tax (KRS 136.270(1)), and the savings and loan association tax (KRS 136.310).

SECTION 17. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

If a qualified investment which is the basis for a credit under this Act is redeemed by the qualified entity within five (5) years of the date it is purchased, the credit provided by this Act for the qualified investment shall be disallowed, and any credit previously claimed and allowed with respect to the qualified investment so redeemed shall be paid to the revenue cabinet with the appropriate return of the taxpayer covering the period in which the redemption occurred. When payments are made to the cabinet under this section, the amount collected shall be handled in exactly the same manner as if no credit had been allowed.

SECTION 18. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) A credit to which a taxpayer is entitled under this Act shall be applied against taxes owed by the

taxpayer in the following order:

(a) First, against the taxpayer's income tax liability under KRS 141.020 or 141.040 for the taxable year;

(b) Second, against the taxpayer's intangibles tax liability under KRS 132.020(2) for the taxable year;

(c) Third, against the taxpayer's bank tax liability under KRS 136.270(1) or savings and loan association tax liability under KRS 136.310 for the taxable year;

(d) Fourth, against the taxpayer's insurance premiums tax liability under KRS 136.330 for the taxable year.

(2) Whenever the tax paid by the taxpayer under any of the tax provisions listed in subsection (1) of this section is a credit against the liability or a deduction in determining the tax base under another Kentucky tax provision, the credit or deduction shall be computed without regard to the credit to which a taxpayer is entitled under this Act.

SECTION 19. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

To receive the credit provided by this Act, a taxpayer must:

(1) Claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the revenue cabinet; and

(2) File with the revenue cabinet and with the taxpayer's annual state tax return or returns a copy of the form issued by the local development corporation as to the qualified investment by the taxpayer, which shall include an undertaking by the taxpayer to report to the revenue cabinet any redemption of the qualified investment, if the redemption is covered by Section 11 of this Act.

SECTION 20. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The local development corporation shall complete forms prescribed by the revenue cabinet which shall show as to each qualified investment in any qualified entity the following:

(1) The name, address, and employer identification number of the qualified entity;

(2) The name, address, and identification number of the taxpayer who purchased the qualified investment; and

(3) The extent of the qualified investment purchased by the taxpayer and the amount paid therefor.

The forms required to be filed with the revenue cabinet shall be filed by the local development corporation on or before the fifteenth day of the second month following the month in which the qualified investment is purchased. Copies of the forms shall be mailed to the taxpayer and, where the qualified entity is not the local development corporation, the qualified entity on or before that same date.

SECTION 21. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The tax exemptions contained in Sections 8, 9 and 10 of this Act may be repealed or modified by the general assembly of the Commonwealth of Kentucky.

SECTION 22. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

As used in Sections 16 to 20 of this Act, unless the context otherwise requires:

(1) "Authority" means the legislative body of any city, county or urban-county government that creates, establishes, and designates an innovative development area within its respective jurisdiction, pursuant to Sections 16 to 18 of this Act.

(2) "Innovative development area" means an area of any city, county or urban-county government declared by an authority to be eligible for the benefits of Sections 19 and 20 of this Act.

(3) "Qualified business" means any person, corporation or other entity that during the time of designation of an innovative development area is engaged in the active conduct of a trade or business within the area, and that is a qualified entity within the context of Sections 1 to 15 of this Act, or a Kentucky business in which financing has been provided by a local development corporation under the provisions of Section 6 of this Act.

(4) "Qualified property" means:

(a) Any tangible personal property located in an innovative development area used predominantly by a qualified business in the active conduct of a trade or business; and

(b) Any real property located in an innovative development area which:

1. Is used predominantly by a qualified business in the active conduct of a trade or business; or

2. Any interest in a corporation, partnership or other entity if, for the most recent taxable year of such entity ending before the date of sale or exchange, such entity was a qualified business.

SECTION 23. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The legislative body of any county or urban-county government may by ordinance create, establish and designate innovative development areas within its jurisdiction pursuant to Sections 16 to 18 of this Act.

SECTION 24. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) Any area within a city, county or urban-county government may be designated an innovative development area by act of the legislative body of a city, county or urban-county government, provided that:

(a) Such area shall have a continuous boundary;

(b) Not more than two (2) areas may be designated within the jurisdiction of any city, county or urban-county government within any calendar year; and

(c) Any designation of an area shall remain in effect for a period of five (5) years.

(2) In deciding which areas within its jurisdiction should be designated innovative development areas, the authority shall give preference to areas containing high levels of unemployment or underemployment and evidence of general economic distress.

(3) Before designating an area as an innovative development area, the legislative body shall consider the benefits to accrue to the community as a result of such designation, including a determination whether the anticipated long-term increases in tax revenues and employment are greater than any short-term loss to the community from any waiver or decrease in any tax or regulation permitted herein.

SECTION 25. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) In order to carry out the purposes and intent of Sections 16 to 18 of this Act, the legislative body of any county or urban-county government that has designated an innovative development area pursuant to Sections 16 to 18 of this Act, may, by regulation, exempt for a period not to exceed five (5) years within such area, any innovative development area from the provisions of any regulation, in whole or in part, which has been promulgated by such legislative body.

(2) Innovative development areas shall not be exempted from the provisions of any regulation, including, but not limited to, provisions of building codes, if such exemption endangers the health and safety of the citizens of the Commonwealth.

(3) The authority shall conduct a review of local regulations and shall recommend exemption of regulations which would contribute to the implementation of this Act.

SECTION 26. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) The provisions of KRS Chapters 67, 68, 91, 92 and 137 notwithstanding, for a period not to exceed five (5) years, any county or urban-county government that has designated an innovative development area pursuant to Sections 16 to 18 of this Act, may levy an annual license tax of ten dollars ($10) upon any qualified business within an innovative development area, in lieu of all other license taxes that may be imposed on such qualified business by such city, county or urban-county government.

(2) The provisions of KRS Chapter 132 notwithstanding, for a period not to exceed five (5) years, any city, county or urban-county government that has designated an innovative development area pursuant to Sections 16 to 18 of this Act, may levy for the purposes of revenues received by such city, county or urban-county government, an ad valorem tax rate on qualified property within an innovative development area of one-tenth of one cent ($.001) upon each one hundred dollars ($100) of assessed valuation, in lieu of any other ad valorem taxes levied by such city, county or urban-county government on such qualified property."

Floor Title Amendment to **SB 294**, by Representative Clarke:

Amend printed copy of **SB 294** on page 1, by amending the Title to read as follows: "AN ACT relating to the relationship of the budget bill to the Kentucky Revised Statutes, and declaring an emergency."

Floor Amendment No. 1 to **SB 294**, by Representative Clarke:

Amend printed copy of **SB 294** on page 14, line 12, by deleting the word "*repealed*" and inserting in lieu thereof, "*suspended or modified. Such suspension or modification shall not extend beyond the duration of the budget bill.*"

on page 27, after line 14, by adding the following:

"Section 14. Whereas, inasmuch as this Act effects the budget, an emergency is declared to exist, and this Act shall become effective July 1, 1984."

Floor Amendment No. 2 to **SB 294**, by Representative Clarke:

Amend printed copy of **SB 294** on page 13, line 24, after "*138.510*" by inserting "*150.150*" and after "*164A.110*" by inserting "*164A.020*".

Floor Amendment No. 2 to **SB 308**, by Representative Cline:

Amend printed copy of **SB 308** on page 5, after line 5, by adding the following:

"Section 6. KRS 304.20-045 is amended to read as follows:

(1) No insurer shall increase the premium on an automobile liability insurance policy solely as a result of a claim for an automobile accident filed by an insured if the insured was not at fault nor contributorily negligent, *or solely as a result of a property damage claim in the amount of five hundred dollars ($500) or less, exclusive of any applicable deductible.*

(2) An insured may notify in writing the commissioner of insurance if the insured believes that an insurer has increased his premium in violation of subsection (1) of this section. The commissioner shall investigate the complaint, take appropriate action, and send written notice of his actions to the insured."

Floor Amendment No. 3 to **SB 308,** by Representative Gray:

Amend printed copy of **SB 308** on page 4, after line 25 and before line 26 by inserting:

"SECTION 5. A NEW SECTION OF SUBTITLE 14 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

All insurers shall provide coverage for chiropractic services as defined in KRS Chapter 312 under the same contractual terms and conditions affecting any other provider of health care services.

SECTION 6. A NEW SECTION OF SUBTITLE 32 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

All insurers shall provide coverage for chiropractic services as defined in KRS Chapter 312 under the same contractual terms and conditions affecting any other provider of health care services."

on page 4, line 26 by deleting "Section 5." and inserting "Section 7.".

Floor Amendment No. 2 to **SB 317,** by Representative Hancock:

Amend printed copy of **SB 317** on page 2, after line 13, by adding the following:

"Section 4. KRS 100.324 is amended to read as follows:

(1) All other provisions of this chapter to the contrary notwithstanding public utilities operating under the jurisdiction of the energy regulatory commission and utility regulatory commission or the *department* [~~bureau~~] of vehicle regulation or federal power commission, *any municipally owned electric system,* and common carriers by rail shall not be required to receive the approval of the planning unit for the location or relocation of any of their service facilities. Service facilities include all facilities of such utilities and common carriers by rail other than office space, garage space, and warehouse space and include office space, garage space, and warehouse space when such space is incidental to a service facility. The energy regulatory commission and utility regulatory commission and the *department* [~~bureau~~] of vehicle regulation shall give notice to the planning commission of any planning unit of any hearing which effects locations or relocations of service facilities within that planning unit's jurisdiction.

(2) The nonservice facilities excluded in subsection (1) of this section must be in accordance with the zoning regulations.

(3) Upon the request of the planning commission, the public utilities referred to in this section shall provide the planning commission of the planning unit affected with information concerning service facilities which have been located on and relocated on private property.

(4) All proposals for acquisitions or disposition of land for public facilities, or changes in the character, location or extent of structures or land for public facilities, excluding state and federal highways and public utilities and common carriers by rail mentioned in this section, shall be referred to the commission to review it in the light of its agreement with the comprehensive plan, and the commission shall, within sixty (60) days from the date of its receipt, review the project and advise the referring body whether the project is in accordance with the comprehensive plan, and whether it approves or disapproves of the project. If it disapproves of the project, it shall state the reasons for disapproval in writing and make suggestions for changes which will, in its opinion, better accomplish the objectives of the comprehensive plan. A majority of the entire membership of the legislative body may override this disapproval of the commission."

Floor Amendment No. 2 to **SB 336,** by Representative Cline:

Amend printed copy of **SB 336** on page 4, after line 2, by adding the following:

"Section 4. KRS 304.20-045 is amended to read as follows:

(1) No insurer shall increase the premium on an automobile liability insurance policy solely as a result of a claim for an automobile accident filed by an insured if the insured was not at fault nor contributorily negligent, *or solely as a result of a property damage claim in the amount of five hundred dollars ($500) or less, exclusive of any applicable deductible.*

(2) An insured may notify in writing the commissioner of insurance if the insured believes that an insurer has increased his premium in violation of subsection (1) of this section. The commissioner shall investigate the complaint, take appropriate action, and send written notice of his actions to the insured."

Floor Title Amendment to **SB 341**, by Representative Moberly:

Amend printed copy of **SB 341** on page 1, by amending the Title to read as follows: "AN ACT relating to natural resources."

Floor Amendment No. 1 to **SB 341**, by Representative Moberly:

Amend printed copy of **SB 341** on page 21, line 12, by adding the following:
"Section 6. KRS 353.510 is amended to read as follows:
As used in KRS 353.500 to 353.720, unless the context otherwise requires:

(1) "Department" means the department of mines and minerals as defined in KRS 351.010;

(2) "Commissioner" means the commissioner of the department of mines and minerals as defined in KRS 351.010;

(3) "Director" means the director of oil and gas conservation as provided in KRS 353.530;

(4) "Commission" means the Kentucky Oil and Gas Conservation Commission as provided in KRS 353.565;

(5) "Person" means any natural person, corporation, association, partnership, receiver, governmental agency subject to KRS 353.500 to 353.720, trustee, so-called common-law or statutory trust, guardian, executor, administrator, [~~or~~] fiduciary of any kind, *federal agency, state agency, city, commission, political subdivision of the Commonwealth, or any interstate body*;

(6) "Correlative rights" means the reasonable opportunity of each person entitled thereto to recover and receive without waste the oil and gas in and under his tract or tracts, or the equivalent thereof;

(7) "Oil" means natural crude oil or petroleum and other hydrocarbons, regardless of gravity, which are produced at the well in liquid form by ordinary production methods and which are not the result of condensation of gas after it leaves the underground reservoir;

(8) "Gas" means all natural gas, including casinghead gas, and all other hydrocarbons not defined above as oil;

(9) "Pool" means an underground reservoir containing a common accumulation of oil or gas or both. Each productive zone of a general structure which is completely separated from any other zone in the structure, or which for the purpose of KRS 353.500 to 353.720 may be so declared by the department, is covered by the word "pool" as used herein;

(10) "Field" means the general area which is underlaid or appears to be underlaid by at least one (1) pool; and "field" includes the underground reservoir containing oil or gas or both. The words "field" and "pool" mean the same thing when only one (1) underground reservoir is involved; however, "field," unlike "pool," may relate to two or more pools.

(11) "Just and equitable share of production" means, as to each person, an amount of oil or gas or both substantially equal to the amount of recoverable oil and gas in that part of a pool underlying his tract or tracts;

(12) "Abandoned," when used in connection with a well or hole, means a well or hole which has never been used, or which, in the opinion of the department, will no longer be used for the production of oil or gas or for the injection or disposal of fluid therein;

(13) "Workable bed" means:

(a) A coal bed actually being operated commercially;

(b) A coal bed that the department decides can be operated commercially and the operation of which can reasonably be expected to commence within not more than ten (10) years; or

(c) A coal bed which, from outcrop indications or other definite evidence, proves to the satisfaction of the commissioner to be workable, and which, when operated, will require protection if wells are drilled through it;

(14) "Well" means a borehole drilled, or proposed to be drilled, for the purpose of producing natural gas or petroleum, or one through which natural gas or petroleum is being produced, or a borehole drilled or proposed to be drilled for the purpose of injecting any water, gas or other fluid therein or one into which any water, gas or other fluid is being injected;

(15) "Shallow well" means any well drilled and completed at a depth less than four thousand (4000) feet except, in the case of any well drilled and completed east of longitude line 8430', shallow well means any

well drilled and completed at a depth less than four thousand (4000) feet or above the base of the lowest member of the Devonian Brown Shale, whichever is the deeper in depth.

(16) "Deep well" means any well drilled and completed below the depth herein provided for a shallow well.

(17) "Operator" means any owner of the right to develop, operate and produce oil and gas from a pool and to appropriate the oil and gas produced therefrom, either for himself or for himself and others; in the event that there is no oil and gas lease in existence with respect to the tract in question, the owner of the oil and gas rights therein shall be considered as "operator" to the extent of seven-eighths (7/8) of the oil and gas in that portion of the pool underlying the tract owned by such owner, and as "royalty owner" as to one-eighth (1/8) interest in such oil and gas; and in the event the oil is owned separately from the gas, the owner of the right to develop, operate and produce the substance being produced or sought to be produced from the pool shall be considered as "operator" as to such pool;

(18) "Royalty owner" means any owner of oil and gas in place, or oil and gas rights, to the extent that such owner is not an operator as defined in subdivision seventeen of this section.

(19) "Drilling unit" generally means the maximum area in a pool which may be drained efficiently by one well so as to produce the reasonable maximum recoverable oil or gas in such area. Where the regulatory authority has provided rules for the establishment of a drilling unit and an operator, proceeding within the framework of the rules so prescribed, has taken the action necessary to have a specified area established for production from a well, such area shall be a drilling unit.

(20) "Beneficial interest" means any profit, benefit or advantage resulting from a contract or ownership of an operation for the production of oil or gas which is distinct from the legal ownership or control of such operation.

(21) "Fresh water" means water which does not contain total dissolved solids in concentrations greater than ten thousand (10,000) milligrams per liter; however, for purposes of the administration of the underground injection control program under the Safe Drinking Water Act (Public Law 93-523, as amended), the department may regulate such other waters as may be necessary to obtain delegation of authority to administer said program.

(22) "Unused well" means any well which is not fully equipped for production and whose test for potential production does not indicate the capacity for commercial quantities, as determined by a registered engineer. This definition shall not include a shut-in or producing well.

Section 7. KRS 353.550 is amended to read as follows:

Without limiting its general authority, the department shall have the specific authority to require of and from all operators of any oil or gas property in this commonwealth:

(1) Identification of producing leases;

(2) The making of driller's logs, and filing of all logs and downhole surveys made;

(3) The drilling, casing, operation and plugging of wells in such manner as to prevent (a) the escape of oil or gas from one pool into another, or into mineral bearing stratum, (b) the detrimental intrusion of water into an oil or gas pool or into mineral bearing stratum that is avoidable by efficient operations, (c) blow-outs, *cave-ins* [~~cavings~~], seepages, and fires, *and (d) damage to underground fresh water sources by the injection of fluids for salt water disposal or for enhanced production*;

(4) The filing of the reports and plats with the department for transmittal to the Kentucky geological survey as may be prescribed by rules and regulations promulgated hereunder. All such reports and plats shall be transmitted by the department to the Kentucky geological survey within thirty (30) days after receipt thereof by the department.

Section 8. KRS 353.560 is amended to read as follows:

Without limiting its general authority, the department shall regulate:

(1) The drilling and plugging of all wells;

(2) The spacing or locating of wells;

(3) The use of vacuum; and

(4) *The injection of all fluids by oil and gas operators regardless of the purpose of such injection, except in the operation of underground gas storage fields* [~~Make recommendations to the water pollution control commission as to disposal of salt water and oil field wastes~~].

Section 9. KRS 353.570 is amended to read as follows:

(1) No person shall *commence to* drill or deepen a well, or reopen a plugged well for the production of oil or gas or for the injection of water, gas or other fluid into any oil or gas producing formation (except seismograph test holes) after June 16, 1960, or *commence to* drill or deepen a water supply well, and geological or structure test holes after June 16, 1966, until such person shall obtain a permit from the department.

(2) *Subject to subsections (3) and (4) of this section*, when any applicant for a permit as required by this section has complied with the provisions of this chapter and all rules and regulations promulgated hereunder, the department shall issue the permit.

(3) *Notwithstanding subsection (2) of this section, if the department determines that an applicant for*

a permit hereunder is an owner or operator of any well for which there are one (1) or more outstanding violations which remain uncorrected at the time of application for a new permit, said department shall not consider such application until all previous violations have been corrected [~~The department may authorize the commencement of the drilling, deepening or reopening of any well prior to the issuance of a permit therefor; except if the location of the well is known to be underlaid by a coal-bearing stratum and consent of the owner, operator, and lessee of the coal-bearing stratum has not been granted. Consent shall be implied, when the coal-bearing stratum is owned by the oil and gas lessor or lessee, and the coal is not under lease to any third party~~].

(4) The department may require an applicant for a permit hereunder to disclose any beneficial interest of said applicant in all oil and gas operations currently or previously maintained in the Commonwealth. If said applicant holds a beneficial interest in an oil or gas operation for which there are one (1) or more outstanding violations of this chapter which remain uncorrected at the time of application, the department shall refuse to consider such application until all outstanding violations are corrected.

(5) A copy of the permit shall be posted in a conspicuous place at the permitted site prior to the commencement of drilling.

SECTION 10. A NEW SECTION OF KRS CHAPTER 353 IS CREATED TO READ AS FOLLOWS:

When any well is unused for more than thirty (30) days, the operator of such well shall either place the well into its permitted use, obtain a temporary abandonment permit from the department or plug the well. This section shall not apply to a shut-in or producing well.

Section 11. KRS 353.590 is amended to read as follows:

(1) Any person, seeking a permit required by KRS 353.570, shall submit to the department a written application in such form as may be prescribed by the department.

(2) Each application shall be accompanied by a specified fee as follows:

(a) The fee shall be one hundred dollars ($100) for each well to be drilled, deepened or reopened for any purpose relating to the production, repressuring or storage of oil or gas, and for each water supply well, observation well, and geological or structure test hole. *The fee shall not be refunded if the application is processed and found not acceptable. The resubmittal of a rejected application shall be accompanied by a new fee.*

(b) If the department receives delegation of authority for administration of the underground injection control program under Section 1425 of the Safe Drinking Water Act (Public Law 93-523 as amended), the department may, by regulation, establish a fee or schedule of fees in an amount not to exceed fifty dollars ($50.00) per well, in addition to the fees imposed by paragraph (a) of this subsection, upon each application to drill, deepen or reopen a well for any purpose relating to the production, repressuring or storage of oil or gas, and for each water supply well, observation well, and geological or structure test hole. The fees or schedule of fees to be established by regulation shall not exceed an amount sufficient to recover the costs incurred by the department in administering the underground injection control program less any other state or federal funds which are made available for such purpose.

(c) All money paid to the state treasurer for fees required by paragraph (b) of this subsection shall be for the sole use of the department in the administration of the underground injection control program under Section 1425 of the Safe Drinking Water Act (Public Law 93-523 as amended).

(3) All money paid to the state treasurer for licenses and fees required by KRS 353.500 to 353.720 shall be for the sole use of the department and shall be in addition to any moneys appropriated by the general assembly for the use of the department.

(4) Each application shall be accompanied by a plat, which shows the location and elevation of each well, prepared according to the rules and regulations promulgated under KRS 353.500 to 353.720. The plat shall be certified as accurate and correct by *a land surveyor* [~~the applicant, a qualified employe of the applicant, a person approved by the department,~~] or an engineer registered in Kentucky[~~, provided that when the location of the well is known to be underlaid by coal-bearing stratum, such plat shall be certified accurate and correct only by an engineer registered in Kentucky~~]. If any plat submitted by an applicant is determined by the department to be materially inaccurate or incomplete, the department may require that a new plat be prepared and submitted [~~either by a person approved by the director or an engineer registered in Kentucky. The department may further require that all future plats submitted by such an applicant be prepared either by a person approved by the director or an engineer registered in Kentucky~~].

(5) When any person submits to the department of mines and minerals an application for a permit to drill a well, or to reopen, deepen or temporarily abandon any well which is not covered by surety bond, the department shall except as provided in this section, require from the well operator a bond in the sum of *two thousand five hundred dollars ($2,500)* [~~$1,000~~] in favor of the department of mines and minerals, conditioned that the well upon abandonment shall be plugged in accordance with the rules and regulations of the department and that all records required by the department be filed as specified. The bond shall remain in effect until the plugging of the well is approved by the department, or the bond is released by the department. Any well operator in lieu of such bond may file with the department a blanket bond in a sum of *twenty-five*

thousand dollars ($25,000) [~~$5,000~~], covering all wells drilled or to be drilled in the Commonwealth by the principal in the bond, and the acceptance and approval by the department of such blanket bond shall be in full compliance with the above provision requiring an individual well bond. The bond or bonds referred to in this section shall be executed by the well operator as principal and by a corporate surety authorized to do business in the Commonwealth. A deposit in cash shall serve in lieu of either of the above bonds.

(6) *It is required that a successor to the well operator post bond and notify the department in writing in advance of taking possession of a well or wells. Said successor shall assume the obligations of this chapter, as to a particular well or wells, and relieve the original permittee of responsibility under this chapter with respect to such well or wells. It is the responsibility of the selling operator to require the successor operator to post bond before granting possession to said successor. The department may close any well or wells if the bond company notifies the department that said bond or bonds are cancelled. Said notice shall not relieve the bond company of its obligations to the Commonwealth but shall only serve to stop the operation of a well or wells for which the bond company has terminated its bond or bonds* [~~Notification in writing to the department by a successor to the well operator with bond as provided in subsection (5) that said successor is assuming the obligations of this chapter as to a particular well or wells, will relieve the original permittee of responsibility under this chapter with respect to such well or wells~~].

(7) If the requirements of subsection (5) with respect to proper plugging upon abandonment and submission of all required records on all well or wells have not been complied with within the time limits set by the department or by this chapter, the department shall cause a notice of noncompliance to be served upon the operator by certified mail, addressed to the permanent address shown on the application for a permit. The notice shall specify in what respects the operator has failed to comply with this chapter or the regulations or orders of the department. If the operator has not reached an agreement with the department or has not complied with the requirements set forth by it within forty-five (45) days after mailing of the notice, the bond shall then be forfeited to the department.

(8) *Collection of a bond forfeited pursuant to the provisions of this chapter may be made by the attorney for the department or in his absence by the attorney general, after notice from the director* [~~When a bond is forfeited pursuant to the provisions of this chapter, the director shall give notice to the attorney general, who shall collect the forfeiture~~].

(9) All sums received through the forfeiture of bonds shall be placed in the state treasury and credited to a special agency account to be designated as the oil and gas well plugging fund. This fund shall be available to the department and may be expended for the plugging of any abandoned wells coming within the authority of the department pursuant to this chapter. The plugging of any well pursuant to this subsection shall not be construed to relieve the operator or any other person from civil or criminal liability which would exist except for such plugging. Any unencumbered and any unexpended balance of this fund remaining at the end of any fiscal year shall not lapse but shall be carried forward for the purpose of the fund until expended or until appropriated by subsequent legislative action.

(10) Upon request by any person applying for a permit for a geological or structure test hole, the department shall keep the location and elevation of said hole confidential until such information is allowed to be released by the person obtaining such permit.

(11) For the purpose of this chapter, "water supply well" shall not include:

(a) Any well for a potable water supply for domestic use or for livestock.

(b) Any water well used primarily for cooling purposes in an industrial process.

Section . KRS 353.630 is amended to read as follows:

(1) Whenever any separate tract of land is so situated because of size or other condition that it does not contain a location at which a well for oil or gas may be drilled, deepened or reopened by reason of the spacing provisions of KRS 353.610, the department shall order, after notice and a hearing, the pooling of all oil and gas interests in the separate tract or in a portion thereof with all like interests in a contiguous tract or tracts, or portions thereof, as are necessary to afford the pooled tracts one (1) location for the drilling, deepening or reopening of a well for the production of oil or gas in compliance with the spacing requirements of KRS 353.500 to 353.720. The department shall require the development and operation of all pooled tracts as a single leasehold estate in accordance with regulations and rules promulgated under KRS 353.500 to 353.720.

(2) No pooling as permitted by this section shall be ordered except:

(a) After an application to drill, deepen or reopen a well for the production of oil upon the tract or within four hundred (400) feet of the tract, or after an application for a permit to drill, deepen or reopen a well for the production of gas upon the tract or within one thousand (1,000) feet of the tract has been submitted; and

(b) After a lessee or owner of an oil or gas interest in the tract shall request the pooling.

(3) No pooling as permitted by this section shall be ordered with respect to any tract or portion thereof upon which a well is drilled, deepened or reopened:

(a) Unless the pooling was requested prior to the commencement of the drilling, deepening or reopening of the well by a lessee or owner of an oil and gas interest in a contiguous tract which does not contain a location at which a well for oil or gas may be drilled, deepened or reopened; and

(b) Unless the request, if made by the owner of an operating interest who elects to participate in the risk and cost of the drilling, deepening or reopening of the well, is accompanied by a bond or other security satisfactory to and in an amount set by the director for the payment of such owner's share of the cost of drilling, deepening or reopening the well.

(4) *Any well whose production is ordered pooled pursuant to KRS 353.500 to 353.720 shall be deemed for all purposes to have been so produced from each tract or portion thereof included in the pool in proportion to the amounts established in the pooling order* [~~From and after the date of the pooling all operations, including the commencement, drilling or operating of a well for the production of oil or gas, upon any tract or portion thereof pooled under KRS 353.500 to 353.720 with one or more other tracts or portions thereof shall be deemed for all purposes the conduct of such operations upon which tract or portion thereof included in the pooling; and that portion of production from the well shared by all owners of each tract or portion thereof included in the pooling shall be deemed to have been actually produced from the tract or portion thereof by a well drilled thereon~~].

Section 12. KRS 353.990 is amended to read as follows:

(1) Any person who wilfully violates any of the provisions of KRS 353.050 to 353.130 or KRS 353.200 relating to the manner of drilling and casing or plugging and filling any well, or fixing the distance from wells within which mining operations may not be conducted, or any person who wilfully violates any of the terms of an order of the department allowing mining operations within a lesser distance of any well than that prescribed by this chapter shall be fined not more than *one thousand dollars ($1,000) per day for each day the violation continues* [~~two hundred dollars ($200)~~] or imprisoned in jail for not more than twelve (12) months, or both.

(2) Any person who violates any of the provisions of subsection (1) of KRS 353.150 shall be fined *one thousand dollars ($1,000)* [~~one hundred dollars ($100)~~] for each offense and in addition thereto *one thousand dollars ($1,000)* [~~one hundred dollars ($100)~~] for each *day* [~~thirty (30) days~~] the violation continues. The penalty shall be recovered in a civil action in the name of the commonwealth for the use of the county in which the well is located.

(3) Any person who violates any of the provisions of KRS 353.160 shall be fined not more than *one thousand dollars ($1,000)* [~~two hundred dollars ($200)~~] and, if the offender is a natural person, imprisoned not less than ten (10) days nor more than six (6) months. Each day that the violation continues shall constitute a separate offense.

(4) Any person who violates any of the provisions of subsection (1) of KRS 353.180 shall be fined [~~not less than one hundred ($100) nor more than~~] one thousand dollars ($1,000) *per day for each day the violation continues.*

(5) If any person violates any of the provisions of KRS 353.190 he shall be fined *one thousand dollars ($1,000)* [~~five dollars ($5.00)~~] for every twenty-four (24) hours that the violation continues.

Section . KRS 353.991 is amended to read as follows:

(1) Any person who violates any provision of KRS 353.570 shall be subject to a fine of not more than *one thousand dollars ($1,000)* [~~two hundred dollars ($200)~~] or imprisonment for a term not exceeding *one hundred and eighty (180)* [~~thirty (30)~~] days, or both.

(2) Any person, who continues to violate any provision of KRS 353.500 to 353.720, or any rule, regulation or order promulgated or issued under KRS 353.500 to 353.720 after being notified in writing of the violation by the department shall be subject to a fine of not more than *one thousand dollars ($1,000)* [~~two hundred dollars ($200)~~] or imprisonment for a term not exceeding *one hundred and eighty (180)* [~~thirty (30)~~] days, or both.

(3) Any person, who does any of the following for the purpose of evading or violating KRS 353.500 to 353.720, or any rule, regulation, or order promulgated or issued under KRS 353.500 to 353.720, shall be subject to a fine of not more than *one thousand dollars ($1,000)* [~~two hundred dollars ($200)~~] or imprisonment for a term not exceeding *one hundred and eighty (180)* [~~thirty (30)~~] days, or both:

(a) Makes or causes to be made a false entry or statement in a report, record, account, or memorandum, required by KRS 353.500 to 353.720, or by any rule, regulation or order;

(b) Omits or causes to be omitted from a report, record, account or memorandum full, true, and correct entries and information as required by KRS 353.500 to 353.720, or by any rule, regulation, or order;

(c) Removes from this commonwealth or destroys, mutilates, alters or falsifies a report, record, account or memorandum as required by KRS 353.500 to 353.720, or by any rule, regulation, or order.

(4) Any person who knowingly aids or abets any other person in the violation of any provision of KRS 353.500 to 353.720, or any rule, regulation or order promulgated or issued under KRS 353.500 to 353.720 shall be subject to the same penalty as that prescribed in this section for the violation by such other person."

Floor Amendment No. 2 to **SB 341**, by Representative Moberly:

Amend printed copy of **SB 341** on page 21, line 12, by adding the following:

"SECTION 6. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) Whenever an environmental emergency, as defined in KRS 224.877(1)(d), is caused by an oil or gas operation, which shall include but not be limited to pipelines and storage facilities, any costs incurred by state agencies, county and city governments, special districts, and urban-county governments shall be recovered by the cabinet and the attorney general's office. Costs shall include, but not be limited to, damages, operational expenses, overhead, and any other expense attributable to the emergency.

(2) The cabinet shall commence any effort to collect the costs. In this effort the cabinet shall act as the coordinating agency for all state agencies, county and city governments, special districts and urban-county governments, which have claims based on the environmental emergency. The cabinet is authorized to investigate all claims and to seek compensation on behalf of all state agencies, county and city governments, special districts and urban-county governments. Should the cabinet be unsuccessful in obtaining payment after exhausting non-judicial remedies, the cabinet shall then notify the attorney general's office of the need for litigating the claims.

(3) The attorney general shall then continue the attempt to obtain payment for the claims by filing suit in the court with proper jurisdiction. At the time of filing the suit the attorney general's office shall become the coordinating office for all state agencies, county and city governments, special districts and urban-county governments, which have made claims. The cabinet shall continue its participation by providing technical assistance and investigative resources. The attorney general's office is authorized to seek, on behalf of all claimants, full reimbursement of all claims. The attorney general's office shall be entitled to reimbursement of court costs and to receive reasonable attorney's fees.

Floor Amendment No. 3 to **SB 341**, by Representative Moberly:

Amend printed copy of **SB 341** on page 21, line 12, by adding the following:

"SECTION 6. A NEW SECTION OF KRS CHAPTER 353 IS CREATED TO READ AS FOLLOWS:

The department of mines and minerals shall not issue a permit under KRS 353.570 to drill or deepen a well until the applicant submits to the department a copy of a spill control plan and the department approves same. The approved plan shall be made a condition of the permit and shall be implemented by the permittee prior to commencement of the drilling activity. Such plan shall include appropriate containment or diversionary structures or equipment sufficient to prevent discharged oil from reaching any waters of the Commonwealth, as that term is defined in KRS Chapter 224. One (1) or more of the following preventive systems or its equivalent shall be used as a minimum:

(1) Dikes, berms or retaining walls sufficiently impervious to contain spilled oil;
(2) Culverting, gutters, or other drainage systems;
(3) Spill diversion ponds;
(4) Retention ponds;
(5) Blowout preventers; or
(6) Such combination of these methods as the department deems necessary to assure that no discharged oil will enter any waters of the Commonwealth in the event of a blowout or other oil-production or storage related failure.

Floor Title Amendment to **SB 361**, by Representative Burnette:

Amend printed copy of **SB 361** on page 1, by amending the Title to read as follows: "AN ACT relating to counties."

Floor Amendment No. 1 to **SB 361**, by Representative Moore:

Amend printed copy of **SB 361** on page 25, line 26, after the number "*13*" and before the word "*of*", by deleting the following: "*to 16*" and inserting in lieu thereof "*and 14*";

and on page 26, by deleting lines 13 and 14 in their entirety;

and on page 26, line 15 by deleting "*(d)*" and inserting "*(c)*" in lieu thereof;

and on page 27, by deleting lines 9 through 26 in their entirety;

and on page 28, line 19, after the word "his" appears for the first time, by deleting the words "and his staff's";

and on page 29, by deleting lines 12 through 16 and lines 21 through 26 in their entirety;

and on pages 30, 31, 32 and 33, by deleting pages 30, 31, 32 and 33 in their entirety;

and on page 34, by deleting lines 1 through 6 in their entirety;

and on page 35, by deleting lines 12 and 13 in their entirety;

and on pages 28, 29, 34, and 35, by renumbering Sections 17, 18, 20, 21, 22 and 23 to become Sections 15, 16, 17, 18, 19 and 20 respectively.

Floor Amendment No. 2 to **SB 361**, by Representative Pearman:

Amend printed copy of **SB 361**, by deleting pages 4, 5, and6 in their entirety;

and on page 7, by deleting lines 1 through 17 in their entirety and by renumbering Sections 3 through 24 to become Sections 2 through 23 respectively;

and on page 25, line 17, by renumbering "*13*" to "*12*";

and on page 25, line 26, after the word "*Sections*" by deleting "*13 to 16*" and inserting in lieu thereof "*12 to 15*";

and on page 27, line 12, by renumbering "*13*" to "*12*";

and on page 27, line 16, by renumbering "*14*" to "*13*";

and on page 27, line 25, by renumbering "*13*" to "*12*";

and on page 29, line 13, by renumbering "*13*" to "*12*";

and on page 32, line 5, by renumbering "*13*" to "*12*";

and on page 35, line 12, by renumbering "*17*" to "*16*".

Floor Amendment No. 3 to **SB 361**, by Representative Pearman:

Amend printed copy of **SB 361** on page 6, line 5, after the word "*exceeds*" by deleting the words "*twenty-five*" and inserting in lieu thereof "*one thousand ($1,000),*";

and on page 6, line 6, by deleting the following: "*hundred dollars ($2,500),*";

and on page 6, line 10, after the word "*exceed*" by deleting the words "*twenty-five*" and inserting in lieu thereof "*one thousand ($1,000)*";

and on page 6, line 11, by deleting the words "*hundred dollars ($2,500).*"

Floor Amendment No. 4 to **SB 361**, by Representative Crupper:

Amend printed copy of **SB 361** on page 25, line 26, after the number "*13*" and before the word "*of*", by deleting the following: "*to 16*" and inserting in lieu thereof "*and 14*";

and on page 26, by deleting lines 13 and 14 in their entirety;

and on page 26, line 15 by deleting "*(d)* and inserting "*(c)* in lieu thereof;

and on page 27, by deleting lines 9 through 26 in their entirety;

and on page 28, line 19, after the word "his" appears for the first time, by deleting the words "and his staff's";

and on page 29, by deleting lines 12 through 16 and lines 21 through 26 in their entirety;

and by deleting pages 30, 31, 32 and 33 in their entirety;

and on page 34, by deleting lines 1 through 6 in their entirety;

and on page 35, by deleting lines 12 and 13 in their entirety;

and on pages 28, 29, 34, and 35, by renumbering Sections 17, 18, 20, 21, 22 and 23 to become Sections 15, 16, 17, 18, 19 and 20 respectively.

Floor Amendment No. 5 to **SB 361**, by Representative Burnette:

Amend printed copy of **SB 361** on page 35, after line 7 and before line 8, by inserting the following language:

"Section 22. KRS 67.080 is amended to read as follows:
(1) The fiscal court may:
(a) Appropriate county funds according to the provisions of KRS 68.210 through 68.360 for lawful purposes;
(b) Sell and convey any real estate belonging to the county, and buy land for the use of the county, when necessary, for the purpose of erecting thereon public buildings. The fiscal court may appoint one (1) or more commissioners to sell or buy real estate under this subsection, subject to the approval of the fiscal court, and convey it to the purchaser, under the direction of the court, or have it conveyed to the court, by deed properly executed and recorded;
(c) Regulate and control the fiscal affairs of the county;
(d) Cause correct accounts and records to be kept of all receipts and disbursements of the public funds of the county, and have the accounts of all county officers audited, when necessary; employ a competent person to keep such accounts and records, and make such audits, and pay such person a reasonable compensation for such services;
(e) Exercise all the corporate powers of the county unless otherwise provided by law;
(f) Establish all appointive offices, *establish* [~~set~~] the duties of those offices, and *make* [~~approve~~] all appointments to those offices;
(g) Investigate all activities of the county government.
(2) The fiscal court shall:
(a) Appropriate county funds, according to the provisions of KRS 68.210 through 68.360, for purposes required by law;
(b) As needed, cause the construction, operation and maintenance of all county buildings and other structures, grounds, roads and other property;
(c) *Prepare and* adopt an administrative code *to be reviewed and revised periodically as needed, incorporating details of administrative procedure for the operation of the county* [~~for the county~~];
(d) Provide for the incarceration of prisoners according to the provisions of KRS 441.006.
(3) The fiscal court shall not exercise executive authority except as specifically assigned by statute."

and on page 35, by renumbering existing Sections 22, 23, and 24 to become Sections 23, 24, and 25 respectively.

Floor Amendment No. 6 to **SB 361**, by Representative Farrow:

Amend printed copy of **SB 361** on page 27, line 21, after the period "." by inserting the following language: "*The salary of the jailer in such counties shall not exceed twelve thousand dollars ($12,000) per year.*"

Floor Amendment No. 7 to **SB 361**, by Representative Pearman:

Amend printed copy of **SB 361** on page 25, line 11 by deleting the colon "*:*";

on page 25, line 12 by deleting "*(a)*";

on page 25, line 14, by deleting "*; or*" and by inserting a period "." in lieu thereof;

on page 25, by deleting lines 15 through 26 and by deleting pages 26, 27 and 28 in their entirety;

on page 29, by deleting lines 1 to 16 and lines 21 to 26 and pages 30 through 33 in their entirety;

on page 34, by deleting lines 1 through 6 in their entirety;

on page 35, by deleting lines 12 and 13; and

on pages 29, 34, and 35 by renumbering Sections 18, 20, 21, 22, and 23 as Section 13, 14, 15, 16 and 17 respectively.

Floor Amendment No. 1 to **SB 380**, by Representative Nett:

Amend printed copy of **SB 380** on page 1, line 21, delete the phrase "*shall be deemed civil*" and insert in lieu thereof the following: "*may be enforced as criminal*";

and on page 2, line 1, delete the period, insert in lieu thereof: "*penalties or*" and change "*A*" to lowercase, "*a*";

and on page 2, line 2, between the words "*ordinances*" and "*pursuant*", the phrase: "*as civil violations*".

Floor Amendment No. 2 to **SB 380**, by Representative Meyer:

Amend printed copy of **SB 380** on page 35, line 24 by adding the following new sections:
"Section 27. KRS 95.859 is amended to read as follows:

The rate of retirement annuity shall be two and one-half percent (2 1/2%) of average salary, as defined in KRS 95.851(13), for each year of total service up to and including thirty (30) years, subject to a maximum of seventy-five percent (75%) of average salary. Fractional periods of service shall be considered in the calculation of such annuities according to the aforesaid rate. Provided, however, that *any member who retired prior to June 21, 1974 shall receive an increase of ten dollars ($10) per month for each year or part thereof of retirement prior to June 21, 1974, with a maximum increase of one hundred and seventy dollars ($170) per month. No surviving widow of a retiree shall receive a pension of less than one hundred and fifty dollars ($150) per month. When* [~~no retiree, or his surviving widow, whether he retired before or after June 16, 1972, under this section shall receive a pension of less than one hundred dollars ($100) a month and when~~] social security benefits are increased the *surviving widows'* minimum shall be increased by a like *percentage* [~~amount~~], provided that the *pension* increase shall not exceed five percent (5%). Within six (6) months after the performance of the actuarial study required by KRS 95.872(6), the rate of retirement annuity of each annuitant who becomes an annuitant after the effective date hereof shall be increased by an amount determined by the said study to reflect so much of the increase in the cost of living of such annuitant from the beginning of his annuity as may be supported on an actuarially sound basis by the fund, so long as the same is published, such studies shall rely on the "All Items Index" of the United States Department of Labor's Consumer Price Indexes, but no increase in the cost of living shall exceed two percent (2%) over the base index year in any year of the fund, provided, however, such increases shall be payable only after the member has attained the age of sixty (60) years or has been retired for a period of three (3) full years, whichever is later, and all such increases shall not be compounded.

Section 28. KRS 95.860 is amended to read as follows:

(1) Upon death of a member due to occupational causes, regardless of length of service, his surviving widow shall be entitled immediately upon cessation of salary to an annuity equal to fifty percent (50%) of the member's last rate of salary. This annuity shall be payable until she dies or remarries. *No surviving widow shall receive an annuity of less than one hundred and fifty dollars ($150) per month. When social security benefits are increased the minimum shall be increased by a like percentage, provided the increase shall not exceed five percent (5%).* In addition, if minor children, under age eighteen (18), survive the member, the widow shall receive on account of each child, ten percent (10%) of the member's last rate of salary until each child attains age eighteen (18). The combined payments to a widow and minor children shall not exceed seventy-five percent (75%) of his final rate of salary.

(2) If a widow does not survive the member, or if she remarries, and minor children under age eighteen (18) exist, each child shall be entitled to an annuity equal to fifteen percent (15%) of the member's last rate of salary until each child attains age eighteen (18), provided that the combined payments to such children shall not exceed fifty percent (50%) of the member's last rate of salary.

(3) If neither a widow nor minor children, eligible for benefits survive the member, each dependent parent shall be entitled to an annuity equal to twenty-five percent (25%) of the member's last rate of salary, or

fifty percent (50%) to both parents.

(4) If a widow would receive from a combination of: (a) survivor benefits pursuant to this section, excluding benefits for minor children, and (b) workmen's compensation benefits, excluding dependent children's allowances or payments for medical expenses or legal fees related to the workmen's compensation claim, an amount greater than one hundred percent (100%) of the deceased member's last rate of salary, then the pension system survivor benefits shall be reduced to the point that the combined payments equal one hundred percent (100%) of the last rate of salary. The survivor benefit shall not be reduced, however, below an amount equal to two and one-half percent (2 1/2%) of average salary for each year of the deceased member's service. Any reduction in the survivor payment shall be based upon workmen's compensation benefits applicable at the time the survivor payment is granted, and not upon subsequent increases in either benefit. If workmen's compensation benefits are reduced at a subsequent time, the surviving spouse shall inform the board, and the board shall increase the survivor's benefit by the amount of the reductions, but not by more than an amount which would increase the survivor's benefit to fifty percent (50%) of last rate of salary. The board of trustees may pay estimated benefits to a surviving spouse, upon qualification for the benefits, based upon an estimate of workmen's compensation benefits until such amounts are actually determined, at which time a final calculation of the spouse's actual benefits shall be determined and the account corrected retroactive to the effective date of the survivor benefit. If workmen's compensation benefits are paid in lump sums, the board shall reduce the survivor benefit on a monthly rather than a lump sum basis. The amount of the monthly reduction shall be based upon the life expectancy of the survivor. The board may request the assistance of the general manager of Kentucky retirement systems to calculate the reduction in survivor benefits when lump sum payments are involved, and the general manager shall provide such assistance upon request.

Section 29. KRS 95.861 is amended to read as follows:

(1) Upon death of a member occurring while in service, arising from any cause other than in the performance of duty, provided the member has had at least three (3) years of total service, his widow shall receive an annuity equal to one and one-half percent (1 1/2%) of average salary for each year of total service, credited to the member, subject to a maximum payment to the widow of fifty percent (50%). *If the member has had at least ten (10) years of total service, the widow shall receive an annuity of no less than one hundred and fifty dollars ($150) per month, and when social security benefits are increased the minimum shall be increased by a like percentage, but the increase shall not exceed five percent (5%). Payment of the annuity shall be* [~~and~~] subject to the following conditions:

(a) The widow had been married to the member at least one (1) year prior to his death;

(b) The widow is at least forty-five (45) years of age, otherwise payment will be deferred until she attains such age, except that if she is or becomes totally disabled before age forty-five (45), or has a minor child or children by the member in her care under age eighteen (18), (including adopted children provided the proceedings for adoption were initiated at least one (1) year prior to death of member) payment of the widow's annuity will begin immediately together with an additional allowance on account of the child or children;

(c) The widow's annuity will terminate in any event when the widow remarries. The annuity of each child or children shall continue until each child attains age eighteen (18).

(2) If the widow has minor children under age of eighteen (18), the annuity to the widow shall be increased one-half (1/2) on account of the first child and one-fourth (1/4) on account of each additional child, subject to a maximum combined payment to the widow and children of seventy-five percent (75%) of the average salary as defined in KRS 95.851(13).

(3) If the pensioner is not survived by a widow and there are minor children the following benefits shall be paid: (a) one (1) minor child, fifty percent (50%), (b) two (2) minor children, fifteen percent (15%) additional, (c) three (3) or more minor children, ten percent (10%) additional, subject to a maximum combined payment of seventy-five percent (75%) of the average salary as defined in KRS 95.851(13). The annuity of each child or children shall continue until each child attains age eighteen (18), or, in the case of a child regularly employed in full-time educational activities the age of twenty-three (23). The annuity payments shall be reduced in reverse order.

(4) These benefits shall also be payable upon death of the member while on retirement, provided marriage was in effect for at least one (1) year before retirement.

Section 30. KRS 95.862 is amended to read as follows:

(1) In the event a total and permanent occupational disability occurs, the member shall receive an annuity equal to seventy percent (70%) of his last rate of salary. This benefit shall begin at such time as his salary may cease, and shall be paid during his entire lifetime. *Any member who retired prior to June 21, 1974 shall receive an increase of ten dollars ($10) per month for each year or part thereof of retirement prior to June 21, 1974, with a maximum increase of one hundred and seventy dollars ($170) per month.* Upon his death, his eligible widow and minor children, if any, shall receive the benefits as provided under KRS 95.860.

(2) If the member retired for total and permanent occupational disability would receive from a combination of (a) pension disability payments pursuant to subsection (1) of this section, and (b) workmen's

compensation payments, excluding spouse or dependent children's allowances or payments for medical expenses or legal fees related to the workmen's compensation claim, an amount greater than one hundred percent (100%) of his last rate of salary, then the pension system benefits shall be reduced to the point that the combined payments equal one hundred percent (100%) of the last rate of salary. The benefit shall not be reduced, however, below an amount equal to two and one-half percent (2 1/2%) of average salary for each year of the member's service. Any reduction in the payment shall be based upon workmen's compensation benefits applicable at the time the payment is granted, and not upon subsequent increases in either benefit. If workmen's compensation benefits are reduced at a subsequent time, the retiree shall inform the board, and the board shall increase the benefit by the amount of the reductions, but not by more than an amount which would increase the benefit to seventy percent (70%) of the last rate of salary. The board of trustees may pay estimated benefits to a retiree, upon qualification for the benefits, based upon an estimate of workmen's compensation benefits until such amounts are actually determined, at which time a final calculation of the actual benefits shall be determined and the account corrected retroactive to the effective date of the benefit. If workmen's compensation benefits are paid in lump sums, the board shall reduce the disability retirement annuity on a monthly rather than a lump sum basis. The amount of the monthly reduction shall be based upon the life expectancy of the retired member. The board may request the assistance of the general manager of Kentucky retirement systems to calculate the reduction in the retirement benefit when lump sum payments are involved, and the general manager shall provide such assistance upon request.

Section 31. KRS 95.863 is amended to read as follows:

(1) Upon total and permanent disability of a member as the result of any cause other than occupational disability, if a member shall have rendered at least ten (10) years of total service, he shall be entitled to a disability retirement annuity. The amount of such annuity shall be equal to two and one-half percent (2 1/2%) of average salary, as defined in KRS 95.851(13), for each full year of total service, subject to a minimum payment of twenty-five percent (25%) of such average salary, and a maximum payment of fifty percent (50%) of average salary. Payment of this annuity shall be made during disability of the member. *Any member who retired prior to June 21, 1974 shall receive an increase of ten dollars ($10) per month for each year or part thereof of retirement prior to June 21, 1974, with a maximum increase of one hundred and seventy dollars ($170) per month.* Upon death of the member, if an eligible widow or minor children survive, such survivors shall be entitled to the regular annuities provided under KRS 95.861.

(2) Any annuity for nonoccupational disability shall begin to accrue upon the expiration of ninety (90) days following the commencement of disability provided that if the member is receiving salary for sick leave for a period of more than ninety (90) days, payment shall accrue from the date such salary ceases. If written application for such annuity shall not have been filed with the board prior to the expiration of ninety (90) days from the date of disability, the annuity shall begin to accrue from the date the application shall be filed but not prior to the expiration of ninety (90) days from the date of disability, nor in any event prior to the time when salary payments to the employe shall have ceased."

Floor Amendment No. 3 to **SB 380**, by Representative McBee:

Amend printed copy of **SB 380** on page 35, line 17, inserting the following new section and renumber Section 26 as Section 27:

"Section 26. KRS 83A.130 is amended to read as follows:

(1) The form of government provided in this section shall be known as the mayor-council plan and this section shall together with KRS 83A.010 to 83A.120 govern any city declared to be under the mayor-council plan by KRS 83A.020 or which has adopted the mayor-council plan pursuant to KRS 83A.160.

(2) Each city under this section shall be governed by an elected executive who shall be called mayor and by an elected legislative body which shall be called the city council, and by such other officers and employes as may be provided for by statute or city ordinance.

(3) The executive authority of the city shall be vested in and exercised by the mayor. The mayor shall enforce the mayor-council plan, city ordinances and orders and all applicable statutes. He shall supervise all departments of city government and the conduct of all city officers and employes under his jurisdiction and shall require each department to make reports to him required by ordinance or as he deems desirable. The mayor shall maintain liaison with related units of local government respecting interlocal contracting and joint activities. The mayor shall report to the council and to the public on the condition and needs of city government as he finds appropriate or as required by ordinance, but not less than annually. He shall make any recommendations for actions by the council he finds in the public interest.

(4) Subject to disapproval of the council, the mayor shall promulgate procedures to insure orderly administration of the functions of city government and compliance with statute or ordinance. Upon promulgation or upon revision or rescission of the procedures, copies shall be filed with the person responsible for maintaining city records as provided under KRS 83A.060.

(5) The mayor shall preside at meetings of the council. The council may set by ordinance the manner in which one of its number may be selected to preside at meetings of the council in place of the mayor. The mayor may participate in council proceedings, but shall not have a vote, except that he may cast the deciding vote in case of a tie.

(6) All ordinances adopted by the council shall be submitted to the mayor who shall within ten (10) days after submission either approve the ordinance by affixing his signature or disapprove it by returning it to the council together with a statement of his objections. No ordinance shall take effect without the mayor's approval unless he fails to return it to the legislative body within ten (10) days after receiving it or unless the council votes to override the mayor's veto, upon reconsideration of the ordinance not later than the second regular meeting following its return, by the affirmative vote of one (1) more than a majority of the membership.

(7) Any delegation of the mayor's power, duties or responsibilities to subordinate officers and employes and any expression of his official authority to fulfill executive functions shall be made by executive order. Executive orders shall be sequentially numbered by years and shall be kept in a permanent file.

(8) All bonds, notes, contracts and written obligations of the city shall be made and executed by the mayor or his agent designated by executive order.

(9) The mayor shall be the appointing authority with power to appoint and remove all city employes, including police officers, *subject to disapproval of the council,* except as tenure and terms of employment are protected by statute, ordinance or contract and except for employes of the council.

(10) The mayor shall provide for the orderly continuation of the functions of city government at any time he is unable to attend to the duties of his office by delegating responsibility for any function to be performed in accordance with subsection (7) of this section, provided that the mayor shall not delegate the responsibility of presiding at meetings of the council and that approving ordinances or promulgating administrative procedures may only be delegated to an elected officer. With approval of the council, the mayor may rescind any action taken in his absence under this subsection within thirty (30) days of such action. If for any reason the disability of the mayor to attend to his duties persists for sixty (60) consecutive days, the office of mayor may be declared vacant by a majority vote of the council and the provisions of KRS 83A.040 shall apply.

(11) The legislative authority of the city shall be vested in and exercised by the elected council of the city. The council shall not perform any executive functions except those functions assigned to it by statute. Regular meetings of the council shall be held at least once each month at such times and places as are fixed by ordinance. Special meetings of the council may be called by the mayor or upon written request of a majority of the council. In the call, the mayor or council shall designate the purpose, time and place of the special meeting with sufficient notice for the attendance of council members and for compliance with KRS Chapter 61. At a special meeting no business may be considered other than that set forth in the designation of purpose. The minutes of every meeting shall be signed by the person responsible for maintaining city records provided under KRS 83A.060 and by the officer presiding at the meeting.

(12) The council shall by ordinance establish all appointive offices and the duties and responsibilities of those offices and codes, rules and regulations for the public health, safety and welfare. The council shall by ordinance provide for sufficient revenue to operate city government and shall appropriate the funds of the city in a budget which shall provide for the orderly management of city resources.

(13) The council shall have the right to investigate all activities of city government. The council may require any city officer or employe to prepare and submit to it sworn statements regarding his performance of his official duties. Any statement required by the council to be submitted or any investigation undertaken by the council, if any office, department or agency under the jurisdiction of the mayor is involved, shall not be submitted or undertaken unless and until written notice of the council's action is given to the mayor. The mayor shall have the right to review any statement before submission to the council and to appear personally or through his designee on behalf of any department, office or agency in the course of any investigation."

Floor Title Amendment to **SB 390**, by Representative Deskins:

Amend printed copy of **SB 390** on page 1, by changing the Title to "AN ACT relating to school districts."

Floor Amendment No. 2 to **SB 390**, by Representative Deskins:

Amend printed copy of **SB 390** on page 14, after line 25, by adding the following:

"Section 4. KRS 158.130 is amended to read as follows:

(1) Except as provided by subsection (2) of this section, when it appears to the board of education of any school district that it is convenient for a pupil of any grade residing in that district to attend an approved public school in another district, the board of education may enter into a tuition contract with the public

school authorities of the other school district for that purpose, but before such a contract is entered into with public school authorities in another state the school must have been approved by the state school authorities of that state through the grades in which the pupil belongs. When a district undertakes, under operation of a tuition contract or of law, to provide in its school for pupils residing in another district, the district of their residence shall share the total cost of the school, including transportation when furnished at public expense, in proportion to the number of pupils or in accordance with contract agreement between the two (2) boards.

(2) Any student enrolled in a county school district, but residing in territory annexed by a city containing an independent school district, shall have the option of attending either the county school or the independent school. The student shall not be required to obtain permission from either district; however, the student may not change districts once the option is exercised. The student shall be included in the average daily attendance of the district of enrollment.

Section 5. KRS 158.120 is amended to read as follows:

Except as otherwise provided in KRS 158.130(2), any board of education may charge a reasonable tuition fee per month for each child attending its schools whose parent, guardian or other legal custodian is not a bona fide resident of the district. Any controversy as to the fee shall be submitted to the state board of education for final settlement. The fee shall be paid by the board of education of the school district in which the pupil resides, except in cases where the board makes provision for the child's education within his district. If a board of education is required to pay a pupil's tuition fee, the pupil shall be admitted to a school only upon proper certificate of the board of education of the district in which he resides.

Section 6. KRS 157.350 is amended to read as follows:

Each district which meets the following requirements shall be eligible to share in the distribution of funds from the public school foundation program funds:

(1) Employs and compensates all teachers for not less than one hundred eighty-five (185) days; provided, that the state board of education, upon recommendation of the superintendent of public instruction, shall prescribe procedures whereby this requirement may be reduced during any year for any district which employs teachers for less than one hundred eighty-five (185) days, in which case the eligibility of a district for participation in the public school foundation program fund shall be in proportion to the length of time teachers actually are employed;

(2) Operates all schools for a term as provided in KRS 158.070 and Kentucky administrative regulations of the state board of education; provided, however, that if the school term is less than one hundred eighty-five (185) days for any reason not approved by the state board of education on recommendation of the superintendent of public instruction the eligibility of a district for participation in the public school foundation program fund shall be in proportion to the length of term the schools actually operate;

(3) Compensates all teachers on the basis of a single salary schedule and in conformity with the provisions of KRS 157.310 to 157.440;

(4) Includes no nonresident pupils in its average daily attendance, except by written agreement with the district of the pupils' legal residence. This subsection does not apply to those pupils enrolled in an approved class conducted in a hospital*, or as provided in KRS 158.130(2)*;

(5) Any secondary school which maintains a basketball team for boys for other than intramural purposes, shall maintain the same for girls;

(6) Any school district which fails to comply with subsection (5) *of this section* shall be prohibited from participating in varsity competition in any sport for one (1) year. Determination of failure to comply shall be made by the department of education after a hearing requested by any person within the school district. A district under this subsection shall, at such hearing, have an opportunity to show inability to comply."

Floor Amendment No. 1 to **SB 415**, by Representative Gray:

Amend printed copy of **SB 415** on page 11, after line 1, by adding the following:

"Section 5. KRS 278.290 is amended to read as follows:

(1) Subject to the provisions of subsection (2) of this section, the commission may ascertain and fix the value of the whole or any part of the property of any utility in so far as the value is material to the exercise of the jurisdiction of the commission, and may make revaluations from time to time and ascertain the value of all new construction, extensions and additions to the property of the utility. In fixing the value of any property under this subsection, the commission shall give due consideration to the history and development of the utility and its property, original cost, cost of reproduction as a going concern, capital structure, and other elements of value recognized by the law of the land for rate-making purposes.

(2) The commission shall not value or revalue the property of any utility unless the valuation or revaluation is necessary or advisable in order to determine the legality or reasonableness of any rate or service or of the issuance of securities, and then only after an investigation affecting the rate, service or securities has

been instituted by the commission upon complaint or application or upon its own motion, and a hearing has been held on reasonable notice.

(3) In any rate investigation where the utility serves two (2) or more municipalities, the commission may, in computing the rate of return on the property used and useful, take as the base for the computation the valuation of the system as a whole, but may make a differential in the case of an individual municipality in proportion to the increased cost of service, if the utility can show that such a differential should be allowed.

(4) In any rate-making proceeding, the commission shall recognize and accept as a legitimate operating expense any amounts paid by a utility pursuant to a collective bargaining agreement entered into by the utility and the official bargaining representative of its collective bargaining unit."

The following meetings were announced:

Health and Welfare: All future meetings cancelled at this time.

State Government: Special meeting on adjournment of Committee on Rules, State Reception Room.

Transportation: Cancelled for tomorrow.

Labor and Industry: Tuesday, 9:30 a.m., Room 109.

Judiciary-Criminal: Special meeting on adjournment today in Chamber.

Banking and Insurance: On adjournment today, Room 316.

Adjournment

Representative LeMaster moved that the House adjourn until 1:00 p.m., Tuesday, March 27, 1984.

On the roll call the vote was yeas 71-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Craddock, Crupper, Curd, Cyrus, Donnermeyer, Dunn, Endicott, Farrow, Ford, Freibert, Fryman, Gedling, Hancock, Harper, Head, Holbrook, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Noe, Noland, O'Brien, Pearman, Perkins, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 3-Guenthner, Maggard, Moore.

The motion to adjourn was adopted.

TUESDAY, MARCH 27, 1984

FIFTY-FIFTH LEGISLATIVE DAY

The House was called to order by Speaker Richardson.

Prayer by Reverend Bill Day, Beth Haven Memorial Baptist Church, LaGrange, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present.

Representative Brinkley moved that the reading of the Journal of March 26, 1984, be dispensed with and the same approved. Agreed.

Message from Governor

Announcing veto of **HB 519**, March 23, 1984.

The Veto Message on **HB 519** is as follows:

By the authority vested in me by Section 88 of the Constitution of the Commonwealth of Kentucky, I hereby veto House Bill 519. The original intention of this bill was to make owners of vehicles with equipment defects responsible for those defects, rather than the person driving the vehicle when a citation for the defect was issued. However, the bill also makes the owner responsible for violations of KRS 189.040(4), (5) and (6) which deal with the proper manner of dimming and brightening a vehicle's lights in specified situations. In no way should an owner who is not operating his vehicle at the time of the violation of these subsections be responsible for such violations. The bill also makes the owner responsible in a similar fashion for violations of KRS 189.070(2) and KRS 189.080.

Perhaps the major problems association with House Bill 519 are those of enforcement. During 1983, the Kentucky State Police issued a total of 2,151 citations for equipment violations. Of this total, a conservative estimate of 500 vehicles are being driven by someone other than the owner.

House Bill 519 requires a police officer to issue an equipment violation citation only to the owner. This will place an extreme hardship on the officer since the officer would have to obtain a warrant for the owner based on information obtained from the operator and the vehicle itself. The process required in obtaining a warrant is lengthy and a minimum of four hours would be required of the officer. Additionally, time would have to be spent in locating and processing the owner after the warrant was signed. This would present an obvious problem for cited vehicles with out-of-state ownership.

The fiscal impact of House Bill 519 would be tremendous. The officer time lost while obtaining the warrant and the fact that the officer is unable to perform other police duties during this time clearly overshadows any good that could be gained by requiring the owner instead of the operator be charged for an equipment violation.

Even though the operator is cited for an equipment violation, the owner is ultimately responsible for any repairs that must be made to the vehicle.

(sd) Martha Layne Collins
Governor
3/23/84

Senate Message

Announcing passage of **HB 895** with Senate Amendment, **HB 21**, **HB 280**, **HB 564**, **HB 660**, **HB 684**, **HB 706**, **HB 768**, **HB 787**, **HB 883**, **HB 914**, **HB 916**, **HB 1011**, **HJR 95**, **HCR 110**, and **HCR 121**.

SB 20 returned with the following message: The Senate has adopted the Free Conference Committee Report on **SB 20** and is notifying this Honorable Body that it has repassed the bill as amended in free conference.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 216, HB 264, HB 358, HB 365, HB 533, HB 553, HB 573, HB 596, HB 615, HB 721, HB 735, HB 772, HB 775, HB 842, HB 868, HB 887, HB 926, HJR 9,** and **HJR 92** had been examined and found correctly enrolled. Said Bills and Resolutions read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 1:28 p.m.)

HB 216, HB 264, HB 358, HB 365, HB 533, HB 553, HB 573, HB 596, HB 615, HB 721, HB 735, HB 772, HB 775, HB 842, HB 868, HB 887, HB 926, HJR 9, and **HJR 92** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Resolutions:

State Government: **HR 147.** Transportation: **HR 148.**

Report of Committees

The Committee on Rules reported **SB 10, SB 15, SB 353, SB 371, SB 178, SB 45, SB 157, SB 404, SB 135, SB 221, SB 269, SB 282, SB 335, SB 338, SB 401, SCR 56, SB 124, SB 251, HR 104, SB 339, SB 238, SB 156, SB 208,** and **HB 798** have been posted for passage in Orders of the Day, March 28, 1984.

The Committee on Rules report **HB 989** has been recommitted to the Committee on Appropriations and Revenue.

The Committee on Banking and Insurance reported **SB 311, SB 312** with Committee Amendment attached thereto, **SB 384, SB 388, SB 391,** and **SB 416** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 311, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF SUBTITLE 17 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

(1) All insurers delivering or issuing for delivery individual insurance policies which provide major medical coverage shall make available and offer to the purchaser a co-payment provision on the major medical coverage. Such co-payment provision shall provide the purchaser with the option of paying twenty percent (20%) of the first ten thousand ($10,000) of covered expenses incurred by the policyholder and any eligible dependent.

(2) The requirements of this section shall apply to all individual health insurance contracts with major medical coverage delivered or issued for delivery in the Commonwealth after the effective date of this Act and individual health insurance policies with major medical coverage which are in effect on the effective date of this Act which are renewed after the effective date of this Act.

(3) The premiums charged for any policy which contains a co-payment option pursuant to Section 1 of this Act shall be lower than the premium for comparable major medical coverage without a co-payment provision.

SECTION 2. A NEW SECTION OF SUBTITLE 18 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

(1) All insurers issuing or delivering for issue group policies as defined in KRS 304.18-020 which provide major medical coverage shall make available and offer to the master policyholder the option of

purchasing coverage with a co-payment option on the major medical coverage. Such co-payment option shall provide the certificate-holder with the option of paying twenty percent (20%) of the first ten thousand dollars ($10,000) of covered expenses incurred by the policyholder and any eligible dependents.

(2) The requirements of this section shall apply to all group policies providing major medical coverage which are delivered or issued for delivery in this state after the effective date of this Act and all group policies which are in effect on the effective date of this Act and are renewed after the effective date of this Act.

(3) The premiums charged for any policy delivered or issued for delivery in this state which contains a co-payment option pursuant to Section 1 of this Act shall be lower than the premium for comparable major medical coverage without a co-payment provision.

SECTION 3. A NEW SECTION OF SUBTITLE 32 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

(1) A nonprofit hospital, medical-surgical, dental and health service corporation shall make available and offer to all purchasers of individual and group policies with major medical coverage a co-payment option on the major medical coverage. Such co-payment option shall provide that the certificate holder shall pay twenty percent (20%) of the first ten thousand dollars ($10,000) of covered expenses incurred by him or eligible dependents.

(2) The requirements of this section shall apply to all group and individual contracts delivered or issued for delivery in the Commonwealth after the effective date of this Act and all such policies which are in effect on the effective date which are renewed after the effective date.

(3) The premiums charged for any policy delivered or issued for delivery in this state which contains a co-payment option pursuant to Section 1 of this Act shall be lower than the premium for comparable major medical coverage without a co-payment provision.

SECTION 4. A NEW SECTION OF SUBTITLE 38 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

(1) All health maintenance organizations insurers delivering or issuing for delivery individual insurance policies, certificates, agreements, and contracts which provide major medical coverage shall make available and offer to the enrollee a co-payment provision on the major medical coverage. Such co-payment provision shall provide the purchaser with the option of paying twenty percent (20%) of the first ten thousand dollars ($10,000) of covered expenses incurred by the enrollee and any eligible dependent.

(2) The requirements of this section shall apply to all policies, certificates, agreements and contracts with major medical coverage delivered or issued for delivery in the Commonwealth or any health maintenance organization after the effective day of this Act and all such policies, certificates, agreements and contracts in effect on the effective date of this Act which are renewed after the effective date.

(3) The premiums charged for any policy delivered or issued for delivery in this state which contains a co-payment option pursuant to Section 1 of this Act shall be lower than the premium for comparable major medical coverage without a co-payment provision.

SB 312, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 304.32-130 is amended to read as follows:

The commissioner shall not issue or renew a certificate of authority to any corporation operating or proposing to operate a nonprofit hospital, medical-surgical, dental, or other health service plan unless:

(1) The subscription or membership certificates which the corporation offers to its subscribers or members, together with a schedule of the dues and fees to be paid by subscribers or members, or the formula for developing dues or fees, has been filed with the commissioner in accordance with the provisions of KRS 304.32-160.

(2) *(a) As to a corporation with unencumbered reserves or surplus in excess or surplus in excess of ten million dollars ($10,000,000),* the schedule of the dues and fees to be paid by subscribers or members is one which will enable the corporation to meet the expenses of the hospital, medical-surgical, and other health services which are made available to its subscribers or members without impairing the guarantee fund required by KRS 304.32-140, and one which will not result in an accumulation of excess reserves over and above reserves established for claims in process, unreported and unbilled claims. *As*[~~, retroactive cost adjustment to the purveyors of hospital, medical-surgical, and other health services and membership dues or fees received in advance but not yet earned. So~~] long as a corporation's unencumbered reserve or surplus over and above the required reserves specified in this section *exceeds* [~~do not exceed~~] a sum equal to *one-fourth (1/4)* [~~one-half (1/2)~~] of the corporation's total membership dues or subscription fees received during the immediate preceding calendar year, the unencumbered reserve or surplus, *as determined at the end of the corporation's*

current fiscal year, shall [~~not~~] be deemed an excessive accumulation for the purposes of this *paragraph. The commissioner shall continue the certificate of authority of any corporation that notifies the commissioner in writing immediately upon determining that its reserves are excessive as defined in the paragraph and, within ninety (90) days after such notice, files with the commissioner for his approval a plan which will reduce the corporation's reserves to a level not excessive as defined in this paragraph.*

(b) As to a corporation with unencumbered reserves or surplus of less than ten million dollars ($10,000,000), the schedule of the dues and fees to be paid by subscribers or members is one which will enable the corporation to meet the expenses of the hospital, medical-surgical, and other health services which are made available to its members without impairing the guarantee fund required by KRS 304.32-140, and one which will not result in an accumulation of excess reserves established for claims in process, unreported and unbilled claims, retroactive cost adjustment to the purveyors of hospital, medical-surgical, and other health services and membership dues or fees received in advance but not yet earned. So long as the corporation's unencumbered reserve or surplus over and above the required reserves specified in this section do not exceed a sum equal to one fourth (1/4) of the corporation's total membership dues or subscription fees received during the immediate preceding calendar year, the unencumbered reserve or surplus shall not be deemed an excessive accumulation for the purposes of this paragraph [~~section~~].

The Committee Amendment No. 1 to **SB 312** is as follows:

Amend printed copy of **SB 312**, page 1, line 14, after the word "*reserves*" by deleting "*or surplus in excess*"; and

On page 3, line 14, by deleting "*one fourth (1/4)*" and inserting "*one half (1/2)*" in lieu thereof.

SB 384, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 304.18-110 is amended to read as follows:

(1) [~~Any group policy as defined in KRS 304.18-020 delivered or issued for delivery in this state which provides hospital or surgical expense benefits, other than for specific disease or accidental injury only, shall provide that with respect to employes or members having been covered under the group policy for at least three (3) months, such employes or members shall have the right upon termination of employment or membership in the group to have the existing group coverage continued for themselves and their eligible dependents. Written notice of employe's right to continue existing group coverage shall be given by the insurance company in each master policy, certificate and group policy issued after July 15, 1982. The insurance company shall furnish each employer or group policyholder an adequate supply of attachments for each master policy, certificate or group policy already in effect. An employe or member electing continuation of coverage shall provide the insurance company written notice of election together with the first monthly premium contribution within thirty-one (31) days of the date coverage would otherwise terminate. The group rate premium shall be paid by the employe directly to the insurance company. The premium rate shall be that required for the coverage being continued and shall not exceed the applicable group rate. Continuation of coverage shall not be available for any employe or member who is or could be covered by medicare, nor who is or could be covered by any other group coverage insured or uninsured providing similar benefits. Continuation of coverage shall terminate on the earlier of:~~

~~(a) The date nine (9) months after the date on which the group coverage would otherwise have terminated because of termination of employment or membership;~~

~~(b) If the employe or member fails to make timely payment of premium to the insurance company, the end of the period for which premium payment was made; or~~

~~(c) the date the group policy is terminated and is not replaced by another group policy within thirty-one (31) days.~~

~~(2) Any group policy described in subsection (1) of this section shall also provide that an employe or member having elected continuation of coverage pursuant to subsection (1) of this section and any covered spouse of an employe or member upon the death or divorce of such employe or member, shall be entitled to have issued to them without evidence of insurability, a health insurance policy on a form then available for conversion from the group coverage, by making written application therefor, accompanied by the first quarterly, semiannual or annual premium, at the option of the person or members, to the insurer not later than thirty-one (31) days after such termination of coverage. Such premium shall be in accordance with the insurer's table of premium rates in effect on the later of (a) the effective date of the converted policy or (b) the date of application therefor, and applicable to the class of risk to which the covered persons belong, their~~

~~ages, the form, and the amount of insurance provided.~~

~~(3)~~] Any group policy as defined in KRS 304.18-020 delivered or issued for delivery in this state which provides hospital or surgical benefits other than for specific diseases or accidental injury only, shall provide that if coverage terminates for any reason and if the individual has been continuously insured under a group policy and under any group policy it replaces for at least three months immediately preceding the termination of coverage, he shall be entitled to have issued to him by the insurer, without evidence of insurability, a health insurance policy on a form providing substantially similar benefits, which shall include the option to continue any existing maternity benefits, *and major medical coverage,* by making written application therefor, accompanied by the first quarterly, semiannual or annual premium, at the option of the person or member, to the insurer not later than thirty-one (31) days after such termination of coverage. Such premium shall be in accordance with the insurer's table of premium rates in effect on the later of:

(a) The effective date of the converted policy; or

(b) The date of application therefor, and applicable to the class of risk to which the covered persons belong and to their ages and to the form and amount of insurance provided.

(2)[~~(4)~~] The converted policy shall cover the person or member and his eligible dependents covered by the group policy on the date the group policy terminated. The effective date of any such converted policy shall be the date of termination of insurance under the group policy.

(3)[~~(5)~~] The insurer shall not be required to issue a converted policy covering any person if such person is or could be covered by medicare (Title XVIII of the United States Social Security Act as added by the Social Security Amendments of 1965 or as later amended or superseded). Furthermore, the insurer shall not be required to issue a converted policy covering any person if:

(a) Such person is covered for similar benefits by another hospital or surgical or medical expense insurance policy or hospital or medical service subscriber contract or medical practice or other prepayment plan or by any other plan or program; or

(b) Similar benefits are provided for, or available to, such person pursuant to, or in accordance with the requirements of, any statute, and the benefits provided or available under any of the sources referred to in paragraph (a) and this paragraph for such person, together with the converted policy, would result in over insurance according to the insurer's standards relating to policies converted from group policies. A converted policy made available pursuant hereto shall provide substantially similar benefits but in no event be less than the minimum standards contained in KRS 304.18-120 if delivery of such converted policy is to be made in this state; and, if delivery of such converted policy is to be made elsewhere, it may be on such form as the insurer may then be offering for such conversion in the jurisdiction where such delivery is to be made and which provides substantially in compliance with that required by KRS 304.18-120;

(c) Notwithstanding any provision of this subsection, the insurer shall not refuse to issue a conversion policy if the coverage provided or available to any such person excludes coverage for pregnancy, illness or injury on the grounds of a preexisting condition, unless the person has exceeded the waiting period under the coverage provided or available.

(3) The converted policy may not exclude coverage for pregnancy or illness or injury on the grounds of a preexisting condition, if the combination of time served under the group and conversion policy equals or exceeds the waiting period under the group contract.

(4) In the event coverage would be continued under the group policy on a person or member following his retirement prior to the time he is or could be covered by medicare, he may elect, in lieu of such continuation of group insurance, to have the same conversion rights as would apply had his insurance terminated at retirement by reason of termination of employment.

(5)[~~(7)~~] The conversion privilege shall also be available:

(a) To the surviving spouse, at the death of the person or member, with respect to the spouse and such children whose coverage under the group policy terminates by reason of the death of the person or member; or

(b) To a child solely with respect to himself upon termination of his coverage by reason of operation of the limiting age of coverage under the group policy while covered as a dependent thereunder; or

(c) To a former spouse for himself and such children of whom he is awarded custody when coverage under the group policy terminates by reason of termination of dependency as defined in the group policy and resulting from an order dissolving the marriage entered by a court of competent jurisdiction.

[~~(8) This section shall not apply to group major medical expense insurance which supplements basic hospital, medical and surgical coverage under one (1) or more group policies, group contracts or group remittance contracts from which a converted policy or a continuation of coverage is available providing benefits equivalent to the minimum benefits for a converted policy under this section.~~]

(6)[~~(9)~~] If a person or member becomes entitled to obtain a converted policy pursuant to the foregoing provisions, and if such person or member has not been given written notice of the existence of the conversion privilege stated above, within thirty-one (31) days of termination of the group coverage, then in such event the person or member shall have an additional period within which to exercise the conversion privilege. This additional period shall expire fifteen (15) days after the person or member shall have been

given said notice but in no event shall the additional period extend beyond sixty (60) days after the expiration of the thirty-one (31) day conversion period stated above. Written notice presented to the person or member or mailed by the policyholder to the last known address of the person or member or mailed by the insurer to the last known address of the person or member as furnished by the policyholder shall constitute the giving of notice for the purpose of this subsection. If an additional period is allowed the person or member for exercise of the conversion privilege as provided herein, and if written application for the converted policy, accompanied by the first quarterly or semiannual or annual premium, is made after the expiration of the thirty-one (31) day conversion period stated above, but within the additional period allowed an employe or member in accordance with this subsection, the effective date of the converted policy shall be the date of termination from the group.

Section 2. KRS 304.18-120 is amended to read as follows:

(1) A converted policy issued pursuant to the conversion privilege *of Section 1 of this Act* [~~contained in a group policy providing hospital or surgical expense insurance~~] shall provide *substantially similar benefits to the terminated group coverage but in no event less than* [~~on an expense incurred basis,~~] the following minimum benefits:

(a) Hospital room and board benefits of *fifty* [~~twenty-five~~] dollars *($50.00)* [~~($25.00)~~] per day, for a minimum duration of seventy (70) days for any one period of hospital confinement as defined in the converted policy.

(b) Miscellaneous hospital expense benefits for any one period of hospital confinement in a minimum amount up to twenty (20) times the hospital room and board daily benefit provided under the converted policy.

(c) Surgical operation expense benefits according to a relative value schedule, or a minimum of $250.

(d) The option to continue any existing benefits on account of pregnancy, childbirth, or miscarriage.

(2) The relative values in the surgical schedule shall be consistent with the schedule of operations generally offered by the insurer under group or individual health insurance policies. In the event that the insurer and the group policyholder agree upon one (1) or more additional plans of benefits to be available for converted policies, the applicant for the converted policy may, at his option, elect such a plan in lieu of a converted policy providing the benefits of *paragraphs* (a), (b) and (c) in subsection (1) *of this section.* In no event shall the benefits be less than the minimums set forth in subsection (1) of this section.

(3) In no event need the insurer provide under the converted policy:

(a) Benefits on account of [~~pregnancy, childbirth, miscarriage,~~] abortion, or complications [~~of any~~] thereof,

(b) The benefits of *paragraphs* (a) and (b) of subsection (1) *of this section* [~~above~~], unless the group policy from which conversion is made provided hospital expense insurance benefits, or

(c) The benefits of *paragraph* (c) of subsection (1) *of this section* [~~above~~], unless the group policy provided surgical expense insurance benefits. Furthermore, the converted policy may contain any exclusion, reduction, or limitation contained in the group policy and any exclusion, reduction or limitation customarily used in individual policies issued by the insurer. With respect to any person who was covered by the group policy, the period specified in the time limit on certain defenses of the incontestable provision of the converted policy shall commence with the date the insurance on such person or member became effective under the group policy.

(4) The converted policy may provide that any hospital, surgical, or medical expense benefits *or major medical benefits,* otherwise payable thereunder with respect to any person covered thereunder may be reduced by the amount of any such benefits payable under the group policy for the same loss with respect to such person after termination of such person's coverage thereunder. The insurer shall not be entitled to use deterioration of health as the basis for refusing to renew a converted policy. The converted policy may provide for termination of coverage thereunder on any person when he is or could be covered by Medicare (Title XVIII of the United States Social Security Act as added by the Social Security Amendments of 1965 or as later amended or superseded).

(5) A converted policy may include a provision whereby the insurer may request information in advance of any premium due date of such policy of any person covered thereunder as to whether*:*

(a) He is covered for similar benefits by another hospital, surgical, or medical expense *or major medical* insurance policy or hospital or medical service subscriber contract or medical practice or other prepayment plan or by any other plan or program*;* or

(b) Similar benefits are provided for, or available to, such person pursuant to, or in accordance with the requirements of, any statute.

If any such person is so covered or such statutory benefits are provided or available, and such person fails to furnish the insurer the details of such coverage within thirty-one days after the date of such request, the benefits payable under the converted policy may be based on the hospital or surgical, [~~or~~] medical *or major medical* expenses actually incurred after excluding expenses to the extent of the amount of benefits provided or available therefor from any of the sources referred to in *paragraphs* (a) and (b) *of this section* [~~above~~]. A converted policy may contain any provisions permitted herein and may also include any other provisions not expressly prohibited by law; and any provision required to be permitted herein may be made a part of any such policy by means of an endorsement or rider.

Section 3. The following sections of KRS Chapter 304 are repealed:

304.32-152 Continuation of group coverage.
304.38-192 Continuation of group coverage.

SB 388, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 304, SUBTITLE 2 IS CREATED TO READ AS FOLLOWS:

(1) The commissioner shall develop a consumer information system on health insurance that will disseminate price, average claim payment time, consumer complaint statistics, and other relevant information on a readily available basis.

(2) All insurers authorized to transact health insurance in the Commonwealth, all nonprofit hospitals, medical-surgical, dental and health service organizations licensed under this chapter, subtitle 32, and health maintenance organizations licensed under this chapter, subtitle 38, shall, upon order of the commissioner, promptly furnish requested data to the department for the consumer information system.

(3) The reasonable cost of developing a consumer information system will be assessed against insurers authorized to transact health insurance in the Commonwealth, nonprofit hospitals, medical-surgical, dental and health service organizations organized under this chapter, subtitle 32, and health maintenance organizations organized under this chapter, subtitle 38, on an equitable basis. The commissioner may, by order, exempt or defer any organization from assessment, if it would cause its financial statement to reflect amounts of capital or surplus less than the minimum amounts required for a certificate of authority by any jurisdiction in which the member insurer is authorized to transact insurance.

Section 2. KRS 304.32-300 is amended to read as follows:

(1) Any private employer doing business in this state who provides for his employes on a self-insured basis, hospital or surgical benefits, other than for specific diseases or accidental injury only, shall purchase a conversion health insurance policy. Upon the termination of the employment of any employe who has been continuously employed for not less than six months immediately preceding the termination, the employe shall be entitled to have issued to him by the insurer, without evidence of insurability, a health insurance policy on a form then available for conversion from the health benefit plan provided by the employer by making written application therefor, accompanied by the first quarterly, semiannual or annual premium, at the option of the employe to the employer not later than thirty-one days after such termination.

(2) The individual health insurance policy available as provided in subsection (1) shall cover the employe and his dependents for whom the employer provided health or surgical benefits on the date the employment was terminated. The effective date of any such individual policy shall be the date of the termination of the employment.

(3) The employe shall not be entitled to be issued a converted policy upon termination of employment if he is or could be covered by Medicare (Title XVIII of the United States Social Security Act as added by the social security amendments of 1965 or as later amended or superseded). Furthermore, the employe shall not be entitled to be issued a converted policy if (a) such person is covered for similar benefits by another hospital or surgical or medical expense insurance policy or hospital or medical service subscriber contract or medical practice or other prepayment plan or by any other plan or program or (b) similar benefits are provided for, or are available to, such person pursuant to, or in accordance with the requirements of any statute, and the benefits provided or available under any of the sources referred to in (a) and (b) above for such employe, together with the converted policy, would result in over insurance according to the employer's standards relating to policies converted from the hospital or surgical benefits provided by the employer. *Notwithstanding any provision of this subsection, the employe shall be entitled to a conversion policy if the coverage provided or available to the employe excludes coverage for pregnancy, illness or injury on the grounds of a preexisting condition, unless the employe has exceeded the waiting period under the coverage provided or available.*

(4) The surviving spouse, at the death of an employe, shall be entitled to be issued a converted policy with respect to the spouse and such children whose coverage under the employer's hospital or surgical benefits terminates by reason of the death of an employe.

(5) If an employe or employe's spouse becomes entitled to obtain a converted policy pursuant to the foregoing provisions, and if such person has not been given written notice of the existence of the conversion privilege stated above, within 31 days of termination of the group coverage, then in such event the person shall have an additional period within which to exercise the conversion privilege. This additional period shall

expire 15 days after the person shall have been given said notice but in no event shall the additional period extend beyond 60 days after the expiration of the 31-day conversion period stated above. Written notice presented to the person or mailed by the employer to the last known address of the person or mailed by the insurer to the last known address of the person as furnished by the employer shall constitute the giving of notice for the purpose of this paragraph. If an additional period is allowed the person for exercise of the conversion privilege as provided herein, and if written application for the converted policy, accompanied by the first quarterly or semiannual or annual premium, is made after the expiration of the 31-day conversion period stated above, but within the additional period allowed an employe or spouse in accordance with this paragraph, the effective date of the converted policy shall be the date of termination of employment.

(6) The converted policy may not exclude coverage for pregnancy or illness or injury on the grounds of a preexisting condition if the combination of time served under the self-insurer's program and the conversion policy equals or exceeds the waiting period under the self-insurer's program.

Section 3. KRS 304.32-310 is amended to read as follows:

(1) A converted policy issued pursuant to the conversion privilege provided in KRS 340.32-300 [~~providing hospital or surgical expense insurance~~] shall provide *substantially similar benefits to the terminated coverage but in no event less than* [~~on an expense incurred basis,~~] the following minimum benefits:

(a) Hospital room and board benefits of *fifty* [~~twenty-five~~] dollars *($50)* [~~($25)~~] per day, for a minimum duration of seventy (70) days for any one period of hospital confinement as defined in the converted policy.

(b) Miscellaneous hospital expense benefits for any one (1) period of hospital confinement in a minimum amount up to twenty (20) times the hospital room and board daily benefit provided under the converted policy.

(c) Surgical operation expense benefits according to a relative value schedule, or a minimum of $250.

(d) The option to continue any existing benefits on account of pregnancy, childbirth, or miscarriage.

(2) The relative values in the surgical schedule shall be consistent with the schedule of operations generally offered by the insurer under group or individual health insurance policies. In the event that the insurer and the employer agree upon one or more additional plans of benefits to be available for converted policies, the applicant for the converted policy may, at his option, elect such a plan in lieu of a converted policy providing the benefits of (a), (b) and (c) in subsection (1) of this section. In no event shall the benefits be less than the minimums set forth in subsection (1) of this section.

(3) In no event need the insurer provide under the converted policy: (a) benefits on account of [~~pregnancy, childbirth, miscarriage,~~] abortion, or complications [~~of any~~] thereof, (b) the benefits of (a) and (b) of subsection (1) above, unless the group policy from which conversion is made provided hospital expense insurance benefits, or (c) the benefits of (c) of subsection (1) above, unless the group policy provided surgical expense insurance benefits. Furthermore, the converted policy may contain any exclusion, reduction, or limitation contained in the group policy and any exclusion, reduction or limitation customarily used in individual policies issued by the insurer. With respect to any person who was covered by the group policy, the period specified in the time limit on certain defenses of the incontestable provision of the converted policy shall commence with the date the insurance on such person or member became effective under the group policy.

(4) The converted policy may provide that any hospital, surgical, or medical expense benefits otherwise payable thereunder with respect to any person covered thereunder may be reduced by the amount of any such benefits payable under the group policy for the same loss with respect to such person after termination of such person's coverage thereunder. The insurer shall not be entitled to use deterioration of health as the basis for refusing to renew a converted policy. The converted policy may provide for termination of coverage thereunder on any person when he is or could be covered by Medicare (Title XVIII of the United States Social Security Act as added by the social security amendments of 1965 or as later amended or superseded).

(5) A converted policy may include a provision whereby the insurer may request information in advance of any premium due date of such policy of any person covered thereunder as to whether (a) he is covered for similar benefits by another hospital, surgical or medical expense insurance policy or hospital or medical service subscriber contract or medical practice or other prepayment plan or by any other plan or program or (b) similar benefits are provided for, or available to, such person pursuant to, or in accordance with the requirements of, any statute. If any such person is so covered or such statutory benefits are provided or available, and such person fails to furnish the insurer the details of such coverage within thirty-one (31) days after the date of such request, the benefits payable under the converted policy may be based on the hospital or surgical or medical expenses actually incurred after excluding expenses to the extent of the amount of benefits provided or available therefor from any of the sources referred to in (a) and (b) above. A converted policy may contain any provisions permitted herein and may also include any other provisions not expressly prohibited by law; and any provision required to be permitted herein may be made a part of any such policy by means of an endorsement or rider.

SB 391, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF SUBTITLE 17 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

(1) All insurers delivering or issuing for delivery individual health insurance policies in the Commonwealth providing coverage on an expense incurred basis shall make available and offer to the purchaser the option of purchasing coverage with:

(a) Reimbursement of covered services only after the first three hundred dollars ($300) of expenses are incurred by the purchaser and eligible dependents; or

(b) Reimbursement of covered services after the first thousand dollars ($1,000) of expenses are incurred by the purchaser and eligible dependents.

(2) The deductibles provided in subsection (1) of this section are in addition to any exclusions, reductions, or limitations customarily used in individual policies issued by the insurer.

(3) The premium charged for any insurance policy which contains either of the deductible provisions in subsection (1) of this section shall be lower than the premium for comparable coverage without the deductible.

(4) The requirements of this section shall apply to all individual health insurance contracts delivered or issued for delivery in the Commonwealth after the effective date of this Act, and all individual health insurance contracts in effect on the effective date of this Act which are renewed after the effective date of this Act.

SECTION 2. A NEW SECTION OF SUBTITLE 18 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

(1) All insurers delivering or issuing for delivery in this state group policies as defined in KRS 304.18-020 which provide hospital or surgical expense benefits, shall make available and offer to the master policyholder the option of purchasing coverage with:

(a) Reimbursement of covered services for each certificate holder and eligible dependent under the master contract only after the first three hundred dollars ($300) of expenses are incurred by the certificate holder and eligible dependents; or

(b) Reimbursement of covered services for each certificate holder and eligible dependents only after the first thousand dollars ($1,000) of expenses are incurred.

(2) The deductibles provided in subsection (1) of this section are in addition to any exclusions, reductions, or limitations customarily used in group policies by the insurer.

(3) The premiums charged for any policy delivered or issued for delivery in this state which contains either of the deductible provisions in subsection (1) of this section shall be lower than the premium for comparable coverage without the deductible.

(4) The requirements of this section shall apply to all group contracts, and all certificates issued thereunder, delivered or issued for delivery after the effective date of this Act, and all group contracts and all certificates in effect on the effective date of this Act which are renewed after the effective date.

SECTION 3. A NEW SECTION OF SUBTITLE 32 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

(1) A nonprofit hospital, medical-surgical, dental and health service corporation shall make available and offer to all purchasers of group policies, group plans, or group contracts, individual, group service or indemnity type contracts, and all certificate holders thereunder, the option of purchasing coverage with:

(a) Reimbursement of covered services only after the first three hundred dollars ($300) of expenses are incurred by the certificate holder and eligible dependents; or

(b) Reimbursement of covered services for each certificate holder and eligible dependents only after the first thousand dollars ($1,000) of expenses are incurred.

(2) The deductibles provided in subsection (1) of this section are in addition to any exclusions, reductions, or limitations customarily used in policies issued by the nonprofit organization.

(3) The premiums charged for any contract, agreement, certificate or policy delivered or issued for delivery in this state which contains either of the deductible provisions in subsection (1) of this section shall be lower than the premium for comparable coverage without the deductible.

(4) The requirements of this section shall apply to all member or subscriber contracts, agreements, policies and certificates delivered or issued for delivery after the effective date of this Act, and all group contracts and all certificates in effect on the effective date of this Act which are renewed after the effective date.

SECTION 4. A NEW SECTION OF SUBTITLE 38 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

(1) A health maintenance organization shall make available and offer to all purchasers of group policies, group plans, or group contracts, individual, group service or indemnity type contracts, and all enrollees thereunder, the option of purchasing coverage with:

(a) Reimbursement of covered services only after the first three hundred dollars ($300) of expenses are incurred by the enrollee and eligible dependents; or

(b) Reimbursement of covered services for each certificate holder and eligible dependents only after the first thousand dollars ($1,000) of expenses are incurred.

(2) The deductible provided in subsection (1) of this section is in addition to any exclusions, reduction, or limitation customarily used in policies issued by the health maintenance organization.

(3) The premiums charged for any policy delivered or issued for delivery in this state which contains either of the deductible provisions in subsection (1) of this section shall be lower than the premium for comparable coverage without the deductible.

(4) The requirements of this section shall apply to all contracts, policies or agreements and certificates issued to enrollees after the effective date of this Act and all contracts, policies, agreements, and certificates issued to enrollees in effect at the effective date of this Act which are renewed after the effective date.

Section 5. KRS 304.32-300 is amended to read as follows:

(1) Any private employer doing business in this state who provides for his employes on a self-insured basis, hospital or surgical benefits, other than for specific diseases or accidental injury only, shall purchase a conversion health insurance policy. Upon the termination of the employment of any employe who has been continuously employed for not less than six months immediately preceding the termination, the employe shall be entitled to have issued to him by the insurer, without evidence of insurability, a health insurance policy on a form then available for conversion from the health benefit plan provided by the employer by making written application therefor, accompanied by the first quarterly, semiannual or annual premium, at the option of the employe to the employer not later than thirty-one days after such termination.

(2) The individual health insurance policy available as provided in subsection (1) shall cover the employe and his dependents for whom the employer provided health or surgical benefits on the date the employment was terminated. The effective date of any such individual policy shall be the date of the termination of the employment.

(3) The employe shall not be entitled to be issued a converted policy upon termination of employment if he is or could be covered by Medicare (Title XVIII of the United States Social Security Act as added by the social security amendments of 1965 or as later amended or superseded). Furthermore, the employe shall not be entitled to be issued a converted policy if (a) such person is covered for similar benefits by another hospital or surgical or medical expense insurance policy or hospital or medical service subscriber contract or medical practice or other prepayment plan or by any other plan or program or (b) similar benefits are provided for, or are available to, such person pursuant to, or in accordance with the requirements of any statute, and the benefits provided or available under any of the sources referred to in (a) and (b) above for such employe, together with the converted policy, would result in over insurance according to the employer's standards relating to policies converted from the hospital or surgical benefits provided by the employer. *Notwithstanding any provision of this subsection, the employe shall be entitled to a conversion policy if the coverage provided or available to the employe excludes coverage for pregnancy, illness or injury on the grounds of a preexisting condition, unless the employe has exceeded the waiting period under the coverage provided or available.*

(4) The surviving spouse, at the death of an employe, shall be entitled to be issued a converted policy with respect to the spouse and such children whose coverage under the employer's hospital or surgical benefits terminates by reason of the death of an employe.

(5) If an employe or employe's spouse becomes entitled to obtain a converted policy pursuant to the foregoing provisions, and if such person has not been given written notice of the existence of the conversion privilege stated above, within 31 days of termination of the group coverage, then in such event the person shall have an additional period within which to exercise the conversion privilege. This additional period shall expire 15 days after the person shall have been given said notice but in no event shall the additional period extend beyond 60 days after the expiration of the 31-day conversion period stated above. Written notice presented to the person or mailed by the employer to the last known address of the person or mailed by the insurer to the last known address of the person as furnished by the employer shall constitute the giving of notice for the purpose of this paragraph. If an additional period is allowed the person for exercise of the conversion privilege as provided herein, and if written application for the converted policy, accompanied by the first quarterly or semiannual or annual premium, is made after the expiration of the 31-day conversion period stated above, but within the additional period allowed an employe or spouse in accordance with this paragraph, the effective date of the converted policy shall be the date of termination of employment.

(6) The converted policy may not exclude coverage for pregnancy or illness or injury on the grounds of a preexisting condition, if the combination of time served under the self-insurer's program and the conversion policy equals or exceeds the waiting period under the self-insurer's program.

Section 6. KRS 304.32-310 is amended to read as follows:

(1) A converted policy issued pursuant to the conversion privilege provided in KRS 340.32-300 [~~providing hospital or surgical expense insurance~~] shall provide *substantially similar benefits to the terminated coverage but in no event less than* [~~on an expense incurred basis,~~] the following minimum benefits:

(a) Hospital room and board benefits of *fifty* [~~twenty five~~] dollars *($50)* [~~($25)~~] per day, for a minimum duration of seventy (70) days for any one period of hospital confinement as defined in the converted policy.

(b) Miscellaneous hospital expense benefits for any one (1) period of hospital confinement in a minimum amount up to twenty (20) times the hospital room and board daily benefit provided under the converted policy.

(c) Surgical operation expense benefits according to a relative value schedule, or a minimum of $250.

(d) The option to continue any existing benefits on account of pregnancy, childbirth, or miscarriage.

(2) The relative values in the surgical schedule shall be consistent with the schedule of operations generally offered by the insurer under group or individual health insurance policies. In the event that the insurer and the employer agree upon one or more additional plans of benefits to be available for converted policies, the applicant for the converted policy may, at his option, elect such a plan in lieu of a converted policy providing the benefits of (a), (b) and (c) in subsection (1) of this section. In no event shall the benefits be less than the minimums set forth in subsection (1) of this section.

(3) In no event need the insurer provide under the converted policy: (a) benefits on account of [~~pregnancy, childbirth, miscarriage,~~] abortion, or complications [~~of any~~] thereof, (b) the benefits of (a) and (b) of subsection (1) above, unless the group policy from which conversion is made provided hospital expense insurance benefits, or (c) the benefits of (c) of subsection (1) above, unless the group policy provided surgical expense insurance benefits. Furthermore, the converted policy may contain any exclusion, reduction, or limitation contained in the group policy and any exclusion, reduction or limitation customarily used in individual policies issued by the insurer. With respect to any person who was covered by the group policy, the period specified in the time limit on certain defenses of the incontestable provision of the converted policy shall commence with the date the insurance on such person or member became effective under the group policy.

(4) The converted policy may provide that any hospital, surgical, or medical expense benefits otherwise payable thereunder with respect to any person covered thereunder may be reduced by the amount of any such benefits payable under the group policy for the same loss with respect to such person after termination of such person's coverage thereunder. The insurer shall not be entitled to use deterioration of health as the basis for refusing to renew a converted policy. The converted policy may provide for termination of coverage thereunder on any person when he is or could be covered by Medicare (Title XVIII of the United States Social Security Act as added by the social security amendments of 1965 or as later amended or superseded).

(5) A converted policy may include a provision whereby the insurer may request information in advance of any premium due date of such policy of any person covered thereunder as to whether (a) he is covered for similar benefits by another hospital, surgical or medical expense insurance policy or hospital or medical service subscriber contract or medical practice or other prepayment plan or by any other plan or program or (b) similar benefits are provided for, or available to, such person pursuant to, or in accordance with the requirements of, any statute. If any such person is so covered or such statutory benefits are provided or available, and such person fails to furnish the insurer the details of such coverage within thirty-one (31) days after the date of such request, the benefits payable under the converted policy may be based on the hospital or surgical or medical expenses actually incurred after excluding expenses to the extent of the amount of benefits provided or available therefor from any of the sources referred to in (a) and (b) above. A converted policy may contain any provisions permitted herein and may also include any other provisions not expressly prohibited by law; and any provision required to be permitted herein may be made a part of any such policy by means of an endorsement or rider.

SB 416, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 304, SUBTITLE 12 IS CREATED TO READ AS FOLLOWS:

(1) As used in this Act:

(a) "Advertisement" shall include:

1. Printed and published material and descriptive literature of an insurer used in newspapers, magazines, radio and television scripts, billboards and similar displays;

2. Descriptive literature and the sales aids of all kinds issued by an insurer for presentation to members of the public, including, but not limited to circulars, leaflets, booklets, depictions, illustrations, and form letters; and

3. Prepared sales talks, presentations and material for use by agents and brokers, and representations made by agents and brokers in accordance therewith.

(b) "Policy" shall include any policy, plan, certificate, contract, agreement, statement of coverage, rider, or endorsement which provides accident or sickness benefits or medical, surgical or hospital expense benefits, whether on a cash indemnity, reimbursement, or service basis, except when issued in connection with another kind of insurance other than life, and except disability and double indemnity benefits included in life insurance and annuity contracts.

(c) "Insurer", for the purpose of the advertisement regulations, shall include any corporation, association, partnership, reciprocal exchange , interinsurer, Lloyd's organization, fraternal benefit society, nonprofit hospital, medical-surgical, dental and health service corporation, health maintenance organization, and any other legal entity engaged in the advertisement of a policy as herein defined.

(2) This Act shall apply to agents and brokers to the extent that they are responsible for the advertisement of any policy.

SECTION 2. A NEW SECTION OF KRS CHAPTER 304, SUBTITLE 12 IS CREATED TO READ AS FOLLOWS:

(1) Advertisements disseminated by an insurer shall be truthful and not misleading in fact or in implication. Words or phrases the meaning of which is clear only by implication or by familiarity with insurance terminology shall not be used.

(2) Words, phrases, or illustrations shall not be used in a manner which misleads or has the capacity and tendency to deceive as to the extent of any policy benefit payable, loss covered or premium payable. An advertisement relating to any policy benefit payable, loss covered or premium payable shall be sufficiently complete and clear to avoid deception or the capacity and tendency to deceive.

(3) When an advertisement refers to any dollar amount, period of time for which any benefit is payable, cost of policy, or specific policy benefit or the loss for which such benefit is payable, it shall also disclose those exceptions, reductions and limitations affecting the basic provisions of the policy without which the advertisement would have the capacity and tendency to mislead or deceive.

(4) When a policy contains a time period between the effective date of the policy and the effective date of coverage under the policy or the date a loss occurs and the date benefits begin to accrue for such loss, an advertisement shall disclose the existence of such periods.

(5) An advertisement disseminated by an insurer in this state or for delivery in this state shall disclose:

(a) The identity of the insurer. An advertisement shall not use a trade name, service make, slogan, symbol or other device which has the capacity and tendency to mislead or deceive as to the true identity of the insurer.

(b) The extent to which any loss is not covered if the cause of such loss is traceable to a condition existing prior to the effective date of the policy. When a policy does not cover losses traceable to pre-existing conditions, no advertisement of the policy shall state or imply that the applicant's physical condition or medical history will not affect the issuance of the policy or payment of a claim thereunder.

SECTION 3. A NEW SECTION OF KRS CHAPTER 304, SUBTITLE 12 IS CREATED TO READ AS FOLLOWS:

An advertisement disseminated by an insurer in this state or for delivery in this state shall not:

(1) State or imply that an insurer or a policy has been approved or an insurer's financial condition has been examined and found to be satisfactory by a governmental agency, unless such is the fact.

(2) State or imply that an insurer or a policy has been approved or endorsed by any individual, group of individuals, society, association or other organization, unless such is the fact.

(3) Contain untrue statements with respect to the time within which claims are paid or statements which imply that claim settlements will be liberal or generous beyond the terms of the policy.

(4) Contain statements which are untrue in fact or by implication misleading with respect to the insurers' assets, corporate structure, financial standing, age or relative position in the insurance business.

(5) State or imply that prospective policyholders become group or quasi-group members and as such enjoy special rates or underwriting privileges, unless such is the fact.

(6) State or imply that a particular policy or combination of policies is an introductory, initial or special offer and that the applicant will receive advantages by accepting the offer, unless such is the fact.

(7) Directly or indirectly make unfair or incomplete comparisons of policies or benefits or otherwise falsely disparage competitors, their policies, services or business methods.

SECTION 4. A NEW SECTION OF KRS CHAPTER 304, SUBTITLE 12 IS CREATED TO READ AS FOLLOWS:

(1) An advertisement which is intended to be seen or heard beyond the limits of the jurisdiction in which the insurer is licensed shall not imply licensing beyond these limits.

(2) Advertisements by direct mail insurers shall indicate that the insurer is licensed in a specified state or states only, or is not licensed in a specified state or states, by use of language such as "This Company is licensed only in State A" or "This Company is not licensed in State B."

SECTION 5. A NEW SECTION OF KRS CHAPTER 304, SUBTITLE 12 IS CREATED TO READ AS FOLLOWS:

(1) Testimonials used in advertisements disseminated by an insurer in this state or for delivery in this state must be genuine, represent the current opinion of the author, be applicable to the policy advertising and be accurately reproduced. The insurer, in using a testimonial, is jointly and severably responsible with the person making the testimonial for all of the statements contained therein.

(2) Any person making or giving a testimonial in an advertisement which is disseminated, broadcast, or published in this state is subject to the jurisdiction of the courts of this state.

SECTION 6. A NEW SECTION OF KRS CHAPTER 304, SUBTITLE 12 IS CREATED TO READ AS FOLLOWS:

(1) No insurer shall deliver or issue for delivery in this state any advertisement unless it has been filed with and approved by the commissioner.

(2) Every filing shall be made not less than sixty (60) days in advance of any delivery. At the expiration of the sixty (60) days, the advertisement filed shall be deemed approved unless prior thereto it has been affirmatively approved or disapproved by order of the commissioner. Approval of any advertisement by the commissioner shall constitute a waiver of any unexpired portion of the waiting period. The commissioner may extend, by a period of not more than thirty (30) days, the time within which he may affirmatively approve or disapprove any advertisement by giving notice to the insurer of the extension before expiration of the initial sixty (60) day period. At the expiration of any period so extended, and in the absence of prior affirmative approval or disapproval, any advertisement shall be deemed approved. The commissioner may at any time, after notice and for cause shown, withdraw any approval.

(3) Any order of the commissioner disapproving any advertisement or any notice of the commissioner withdrawing a previous approval shall state the grounds therefor and the particulars in such detail as reasonably to inform the insurer thereof. Any withdrawal of a previously approved advertisement shall be effective at the expiration of the period, not less than thirty (30) days after the notice of withdrawal is given, as the commissioner shall in the notice prescribe.

(4) Appeals from orders of the commissioner disapproving any advertisement or withdrawing a previous approval may be taken as provided in subtitle 2.

The Committee Amendment No. 1 to **SB 416** is as follows:

Amend printed copy of **SB 416,** page 1, line 19, after "*provides*" by adding "*: 1.*

On page 2, line 2, after "*life*" by deleting the following language: "*and except disability and double indemnity benefits included in life insurance and annuity contracts.*"

and inserting in lieu thereof: "*; 2. Life insurance as defined in KRS 304.5-020; and*

3. Annuity coverage as defined in KRS 304.5-030."

On page 5, line 20 after "*(2)*" by inserting "*Such*"

On page 6, by deleting lines 14 thru 18 and inserting in lieu thereof:

"(1) *The commissioner may order advertisements be filed with and approved by the department before delivery or issue for delivery in this state whenever he determines prior approval is in the public interest.*"

The Committee on Judiciary-Criminal reported **SB 123** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 123, AN ACT relating to television programming decency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 531.010 is amended to read as follows:
As used in this chapter:

(1) "Contemporary community standards" means those current standards in the vicinage where a violation alleged under this chapter has occurred or is occurring.

(2) "Distribute" means to transfer possession of, whether with or without consideration.

(3)[~~(2)~~] "Matter" means any book, magazine, newspaper, or other printed or written material or any picture, drawing, photograph, *telecast,* motion picture, or other pictorial representation or any statue or other figure, or any recording transcription or mechanical, chemical or electrical reproduction or any other articles, equipment, machines, or materials.

(4)[~~(3)~~] "Obscene" means:

(a) To the average person, applying contemporary community standards, the predominant appeal of the matter, taken as a whole, is to prurient interest in sexual conduct; and

(b) The matter depicts or describes the sexual conduct in a patently offensive way; and

(c) The matter, taken as a whole, lacks serious literary, artistic, political, or scientific value.

(5)[~~(4)~~] "Sexual conduct" means acts of masturbation, homosexuality, lesbianism, beastiality, sexual intercourse, or deviant sexual intercourse; or physical contact with the genitals, flagellation, or excretion for the purpose of sexual stimulation or gratification.

Section 2. KRS 531.060 is amended to read as follows:

(1) A person is guilty of promoting sale of obscenity when he knowingly, as a condition to a sale, allocation, consignment, or delivery for resale of any *telecast,* paper, magazine, book, periodical, publication or other merchandise, requires that the purchaser or consignee receive any matter reasonably believed by the purchaser or consignee to be obscene, or he denies or threatens to deny a franchise, revokes or threatens to revoke, or imposes any penalty, financial or otherwise, by reason of the failure of any person to accept such matter, or by reason of the return of such matter.

(2) Promoting sale of obscenity is a Class B misdemeanor for the first offense, a Class A misdemeanor for the second offense; and a Class D felony for each subsequent offense.

SECTION 3. A NEW SECTION OF KRS CHAPTER 436 IS CREATED TO READ AS FOLLOWS:

(1) When a person is convicted of or pleads guilty to a violation of KRS 531.020, 531.050, or 531.060 the county or Commonwealth's attorney shall seek and the court shall grant a permanent injunction enjoining the person from further violation of the section.

(2) Any person who violates the provisions of the injunction issued in subsection (1) of this section shall be deemed in contempt of court.

(3) The penalty for contempt in such cases shall be a fine of not more than five thousand dollars ($5,000) for a first offense and not more than ten thousand dollars ($10,000) for each subsequent offense.

(4) In addition a person in contempt of an injunction authorized hereunder shall be liable for the costs of prosecution.

(5) Remedies contained herein shall be construed as ancillary and supplementary to those in KRS Chapter 531.

Calendar

SB 137, SB 159, SB 160, SB 161, SB 162, SB 164, SB 165, SB 179, SB 180, SB 414, SB 205, SB 261, SB 287, SB 204, SB 223, SB 379, SB 174, and **SB 340** taken from the Calendar and ordered read at length for the second time. Representative LeMaster moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Orders of the Day

Representative LeMaster moved that the rules be suspended for the purpose of communicating with the House. Agreed.

Recess

Representative LeMaster moved that the House recess until 2 p.m. for a majority caucus in Room 327 and a minority caucus in the House Chamber. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day (continued)

Representative LeMaster moved that **SB 293** be recommitted to the Committee on Judiciary-Civil. Agreed.

Representative LeMaster moved that **HB 957** be recommitted to the Committee on Labor and Industry. Agreed.

Representative LeMaster moved that **HB 924** be recommitted to the Committee on Business Organizations and Professions. Agreed.

Report on Enrolled Bills

The Committee On Enrollment reported **SB 46, SB 94, SB 118, SB 134, SB 158, SB 190, SB 206, SB 212, SB 262, SB 285, SB 298, SCR 45, SCR 46,** and **SJR 47** had been examined and found correctly enrolled. Said Bills and Resolutions read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 2:27 p.m.)

Orders of the Day (continued)

SB 71, with Floor Amendments attached thereto,taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clarke moved that **SB 71** be passed.

Representative Kenton moved the adoption of the Floor Amendment No. 1 to **SB 71**. Agreed.

Representative Clarke moved that **SB 71,** as amended, be passed.

On the roll call the vote was yeas 21-Barrows, Clarke, Cowan, Donnermeyer, Freibert, Hancock, Hines, R. Jones, T. Jones, Kenton, LeMaster, Lile, List, Long, Lundergan, Mann, Moberly, Noe, B. Richardson, Thomason, Yates. Nays 76-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Dunn, Ellington, Endicott, Farrow, Foster, Fryman, Gedling, Gray, Guenthner, Handy, Harper, Head, Heleringer, Holbrook, Holloway, Johnson, Kidd, Layman, Lefevers, Little, Maggard, McBee, McElroy, McNutt, Meyer, Moore, Morris, Nett, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, Williams, Worthington.

SB 71, as amended, was defeated.

HB 207, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cowan moved the adoption of the Floor Amendment No. 2 to **HB 207**. Agreed.

Representative Cowan moved that **HB 207,** as amended, be passed.

On the roll call the vote was yeas 33-Barrows, Bendl, Bennett, Caldwell, L. Clark, Cowan, Donnermeyer, Guenthner, Hancock, Handy, Hines, Holbrook, Holloway, T. Jones, Kenton, Kidd, Lefevers, List, Lundergan, Mann, Meyer, Nett, O'Brien, Perkins, Petty, Reinhardt, Richards, Riner, Seum, B. Smith, Stumbo, Thomason, Van Horn. Nays 57-Allen, Arnold, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Clapp, P. Clark, Clarke, Cline, Craddock, Crupper, Curd, Cyrus, Deskins, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Fryman, Gedling, Gray, Harper, Head, Heleringer, R. Jones, Lile, Little, Long, Maggard, McElroy, McNutt, Moberly, Moore, Morris, Noe, Noland, Overstreet, Pearman, Priddy, Rapier, Rattliff, B. Richardson, P. Richardson, Robinson, F. Smith, Stone, Thomas, Todd, Turner, Williams, Worthington, Yates.

HB 207, as amended, was defeated.

SB 153, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved that **SB 153** be passed.

Representative Morris moved the adoption of the Committee Amendment No. 1 to **SB 153**. Agreed.

Representative LeMaster moved that **SB 153**, as amended, be passed.

On the roll call the vote was yeas 89-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Ellington, Endicott, Farrow, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, Williams, Worthington, Yates. Nays 2-Deskins, Dunn.

SB 153, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 153**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Senate Message

Announcing passage of **HB 51** with Senate Amendments, **HB 224** with Senate Amendment, **HB 406** with Senate Committee Substitute, **HB 474** with Senate Committee Substitute and Senate Amendment to Senate Committee Substitute, **HB 475** with Senate Committee Substitute, **HB 729**, and **HB 777**.

SB 361, with Committee Substitute and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Arnold moved the adoption of the Committee Substitute to **SB 361**. Agreed.

Representative Arnold moved that **SB 361**, by way of Committee Substitute, be passed.

Representative Pearman moved the adoption of the Floor Amendment No. 2 to the Committee Substitute to **SB 361**.

On the roll call the vote was yeas 55-Allen, Bennett, Blevins, Brinkley, Bronger, Brown, Burnette, Clapp, L. CLark, P. Clark, Cline, Craddock, Crupper, Curd, Cyrus, Ellington, Endicott, Freibert, Fryman, Gedling, Gray, Guenthner, Head, Heleringer, Holloway, Layman, Lefevers, Lile, Maggard, McBee, McElroy, McNutt, Moore, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Turner, Yates. Nays 30-Arnold, Barrows, Bendl, Burch, Caldwell, Deskins, Donnermeyer, Dunn, Farrow, Foster, Hancock, Hines, Johnson, R. Jones, Kenton, LeMaster, List, Little, Long, Lundergan, Mann, Meyer, Moberly, Morris, Reinhardt, Seum, Thomason, Van Horn, Williams, Worthington.

Floor Amendment No. 2 to the Committee Substitute to **SB 361** was adopted.

Representative Pearman moved adoption of the Floor Amendment No. 7 to the Committee Substitute to **SB 361**.

On the roll call the vote was yeas 33-Allen, Brinkley, Brown, Bruce, Burnette, L. Clark, P. Clark, Cline, Craddock, Curd, Cyrus, Deskins, Ellington, Endicott, Fryman, Gedling, Gray, Guenthner, Layman, Lefevers, Little, Maggard, McElroy, Moore, Noe, Noland, Overstreet, Pearman, Perkins, Rapier, Robinson, Thomas, Yates. Nays 55-Arnold, Barrows, Bendl, Bennett, Blevins, Brongr, Burch, Caldwell, Clarke, Cowan, Crupper, Dawahare, Donnermeyer, Dunn, Farrow, Foster, Freibert, Hancock, Handy, Harper, Head, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, LeMaster, Lile, List, Long, Lundergan, Mann, McBee, McNutt, Meyer, Moberly, Morris, O'Brien, Petty, Priddy, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Seum, B. Smith, Stone, Stumbo, Thomason, Van Horn, Williams, Worthington.

Floor Amendment No. 7 to the Committee Substitute to **SB 361** was rejected.

Representative Crupper moved the adoption of the Floor Amendment No. 4 to the Committee Substitute to **SB 361.**

Representative Hancock inquired whether the amendment was properly drawn.

The Chair ruled Floor Amendment No. 4 to the Committee Substitute to **SB 361** was improperly drawn.

Representative Moore moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **SB 361.**

Representative Hancock inquired whether the amendment was properly drawn.

The Chair ruled Floor Amendment No. 1 to the Committee Substitute to **SB 361** was improperly drawn.

Representative Harper moved that Floor Amendment No. 1 to the Committee Substitute to **SB 361** be laid on the Clerk's desk.

On the roll call the vote was yeas 54-Allen, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, L. Clark, P. Clark, Cline, Craddock, Crupper, Curd, Cyrus, Dawahare, Ellington, Endicott, Freibert, Fryman, Gedling, Gray, Guenthner, Harper, Heleringer, Johnson, Kidd, Layman, Lefevers, LeMaster, Lundergan, Maggard, Mann, McElroy, McNutt, Moore, Noe, Noland, Overstreet, Pearman, Perkins, Rapier, Rattliff, Reinhardt, Richards, Robinson, F. Smith, Stone, Stumbo, Thomas, Todd, Turner, Williams, Worthington, Yates. Nays 21-Bendl, Burch, Caldwell, Clarke, Cowan, Farrow, Foster, Hancock, Hines, R. Jones, T. Jones, Kenton, List, Long, Meyer, Moberly, Nett, Petty, Priddy, Thomason, Van Horn.

The motion that Floor Amendment No. 1 to the Committee Substitute to **SB 361** be laid on the Clerk's desk was adopted.

Representative Van Horn moved that the rules be suspended to withdraw Floor Amendment No. 1 and Floor Title Amendment to **SB 83**. Agreed.

SB 83, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Thomason moved the adoption of the Committee Amendment No. 1 to **SB 83.** Agreed.

Representative Thomason moved that **SB 83,** as amended, be passed.

On the roll call the vote was yeas 68-Arnold, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Cyrus, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Harper, Head, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Lefevers, LeMaster, List, Little, Long, Mann, McBee, McElroy, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Seum, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Yates. Nays 16-Allen, Bennett, Burnette, Curd, Dawahare, Ellington, Fryman, Layman, Lile, McNutt, Noland, Reinhardt, Riner, Robinson, Turner, Worthington.

SB 83, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 83,** as amended, was passed be reconsidered

and said motion be placed on the table. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 21, HB 106, HB 139, HB 176, HB 263, HB 280, HB 524, HB 564, HB 581, HB 660, HB 664, HB 670, HB 684, HB 706, HB 729, HB 768, HB 777, HB 787, HB 883, HB 914, HB 916, HB 1011, HJR 95, HCR 110, HCR 121** had been examined and found correctly enrolled. Said Bills and Resolutions read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 3:40 p.m.)

HB 21, HB 106, HB 139, HB 176, HB 263, HB 280, HB 524, HB 564, HB 581, HB 660, HB 664, HB 670, HB 684, HB 706, HB 729, HB 768, HB 777, HB 787, HB 883, HB 914, HB 916, HB 1011, HJR 95, HCR 110, HCR 121 delivered to the Senate, signed by President. Ordered delivered to the Governor.

Orders of the Day (continued)

Representative LeMaster moved that **SB 20** be taken from Orders of the Day for consideration of the Free Conference Committee Report. Agreed.

Representative Williams moved the adoption of the following Free Conference Committee Report on **SB 20:**

The free conference committee has met as provided in the rules of the House and the Senate and hereby reports the following to be adopted:

The following changes are recommended by the Free Conference Committee for House Committee Substitute for Senate Bill 20.

1. Pages 3 and 4, delete Section 2 in its entirety and renumber ensuing sections and in-text references.

2. Page 6, line 6, delete lines 6 through 11 and insert in lieu thereof the following:

"*(1) In order to reduce the period of license suspension from six (6) months to thirty (30) days as provided in subsection (1)(a) of Section 8 of this Act the defendant may elect to attend an alcohol or substance abuse education or treatment program subject to the following terms and conditions for a first offender:*"

3. Page 6, line 12, to delete "*sentence*" and to insert in lieu thereof "*treatment or education*";

4. Page 6, line 23 through 26, to delete subsection (d);

5. Page 7, lines 1 and 2, to delete same;

6. Page 7, line 5, delete "*, after presentence investigation,*";

7. Page 8, line 2, delete "*, after presentence investigation,*";

8. Page 11, line 18, following "*program,*" to add "*or alcohol or substance abuse education or treatment program specified in subsection (1) of Section 5 of this Act,*";

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Signed by: Senators Henry G. Lackey, David K. Karem, and Gene Huff. Representatives Aubrey Williams, Harry Moberly, Jr. and Barry Caldwell.

The above-named members, in separate votes by house, all concur in the provisions of this report.

2:15 (time)

3-26-84 (date)

The Free Conference Committee Report on **SB 20** was adopted.

Representative Williams moved that **SB 20**, as amended by the Free Conference Committee Report, be passed.

On the roll call the vote was yeas 95-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, Williams, Worthington, Yates. Nays 1-Clarke.

SB 20, as amended by the Free Conference Committee Report, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 20**, as amended by the Free Conference Committee Report, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 275, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Holbrook moved the adoption of the Committee Amendment No. 1 to **SB 275**. Agreed.

Representative Clapp moved the adoption of the Floor Amendment No. 1 to **SB 275**.

On the roll call the vote was yeas 33-Barrows, Blandford, Bronger, Burnette, Clapp, L. Clark, Curd, Dawahare, Donnermeyer, Ellington, Ford, Freibert, Fryman, Hancock, Harper, Head, T. Jones, Kenton, Layman, List, Mann, McBee, McNutt, Meyer, Moberly, Overstreet, Priddy, Rapier, Richards, B. Richardson, Seum, F. Smith, Thomas. Nays 58-Allen, Bendl, Bennett, Blevins, Brinkley, Brown, Bruce, Burch, Caldwell, P. Clark, Clarke, Cline, Cowan, Craddock, Cyrus, Deskins, Dunn, Endicott, Farrow, Foster, Gray, Handy, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, Kidd, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Maggard, McElroy, Morris, Nett, Noland, O'Brien, Patrick, Pearman, Perkins, Petty, Reinhardt, P. Richardson, Riner, Robinson, B. Smith, Stone, Stumbo, Thomason, Turner, Van Horn, White, Williams, Yates.

Floor Amendment No. 1 to **SB 275** was rejected.

Representative Johnson moved that **SB 275**, as amended, be passed.

On the roll call the vote was yeas 75-Allen, Arnold, Bendl, Bennett, Blevins, Brown, Bruce, Burch, Caldwell, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Cyrus, Dawahare, Deskins, Dunn, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Handy, Harper, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, McElroy, Moore, Morris, Nett, Noland, O'Brien, Pearman, Perkins, Petty, Priddy, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 20-Barrows, Bronger, Burnette, Clapp, L. Clark, Curd, Donnermeyer, Ellington, Hancock, Head, T. Jones, Mann, McBee, McNutt, Meyer, Moberly, Noe, Overstreet, Rapier, Thomas.

SB 275, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 275**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 4** and **SB 232** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 4:06 p.m.)

Speaker Pro Tempore Blandford presiding.

Orders of the Day (continued)

SB 265 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Mann moved that **SB 265** be passed.

On the roll call the vote was yeas 81-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Brown, Burnette, Caldwell, L. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Morris, Nett, Noe, Noland, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, White, Yates. Nays 2-Gedling, Turner.

SB 265 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 265** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 74 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Hancock moved that **SB 74** be passed.

On the roll call the vote was yeas 88-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, P. Richardson, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Yates. Nays 0.

SB 74 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 74** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 169, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Richards moved that **SB 169** be passed.

Representative LeMaster moved the adoption of the Floor Amendment No. 2 to **SB 169**. Agreed.

Representative Richards moved that **SB 169**, as amended, be passed.

On the roll call the vote was yeas 91-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

SB 169, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 169**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 197, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cowan moved the adoption of the Committee Amendment No. 1 to **SB 197**. Agreed.

Representative R. Jones moved that **SB 197**, as amended, be passed.

On the roll call the vote was yeas 76-Arnold, Bennett, Blevins, Brinkley, Brown, Burch, Burnette, Caldwell, L. Clark, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Ford, Foster, Freibert, Fryman, Gedling, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kidd, Layman, Lefevers, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 6-P. Clark, Cline, Endicott, Gray, Moore, Pearman.

SB 197, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 197**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 185 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved that **SB 185** be passed.

On the roll call the vote was yeas 78-Arnold, Bendl, Bennett, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Mann, McBee, McElroy, McNutt, Moberly, Moore, Morris, Nett, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Yates. Nays 0.

SB 185 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 185** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 364 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Richards moved that **SB 364** be passed.

On the roll call the vote was yeas 71-Arnold, Bendl, Bennett, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Kidd, LeMaster, Lile, List, Long, Lundergan, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Nett, Noe, O'Brien, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Worthington, Yates. Nays 11-Allen, Endicott, Ford, Fryman, Lefevers, Little, Moore, Noland, Patrick, Todd, Turner.

SB 364 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 364** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 294, with Committee Substitute and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clarke moved the adoption of the Committee Substitute to **SB 294.** Agreed.

Representative Clarke moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **SB 294.** Agreed.

Representative Clarke moved the adoption of the Floor Amendment No. 2 to the Committee Substitute to **SB 294.** Agreed.

Representative Clarke moved that **SB 294,** by way of Committee Substitute as amended, be passed.

Representative Gray moved that the vote by which Floor Amendment No. 1 to the Committee Substitute to **SB 294** was adopted be reconsidered.

On the roll call the vote was yeas 17-Burnette, P. Clark, Crupper, Curd, Cyrus, Dunn, Gray, Guenthner, Heleringer, Johnson, Lundergan, McElroy, Moore, Perkins, Priddy, Reinhardt, Thomas. Nays 50-Barrows, Bennett, Blandford, Bronger, Brown, Burch, Caldwell, L. Clark, Clarke, Cline, Cowan, Craddock, Dawahare, Deskins, Donnermeyer, Farrow, Ford, Foster, Freibert, Gedling, Hancock, Harper, Hines, Holbrook, Holloway, R. Jones, Kenton, Lefevers, LeMaster, List, Little, Long, Mann, McBee, McNutt, Nett, Noland, Patrick, Pearman, Petty, Rapier, Richards, Seum, F. Smith, Stone, Thomason, Van Horn, White, Worthington, Yates.

The motion that the vote by which Floor Amendment No. 1 to the Committee Substitute to **SB 294** was adopted be reconsidered was rejected.

On the roll call the vote was yeas 44-Barrows, Brown, Burch, Caldwell, Clarke, Cline, Cowan, Craddock, Dawahare, Deskins, Donnermeyer, Dunn, Foster, Freibert, Hancock, Harper, Hines, Johnson, R. Jones, Kenton, Lefevers, LeMaster, List, Little, Long, Lundergan, Mann, McBee, McElroy, Meyer, Moberly, Morris, Nett, Noe, Noland, Perkins, Petty, Rapier, Richards, Robinson, Stone, Thomason, White, Worthington. Nays 44-Bendl, Bennett, Blevins, Bronger, Bruce, Burnette, Clapp, L. Clark, P. Clark, Crupper, Curd, Cyrus, Ellington, Endicott, Farrow, Ford, Fryman, Gedling, Gray, Guenthner, Head, Heleringer, Holbrook, Holloway, T. Jones, Layman, Lile, McNutt, Moore, O'Brien, Overstreet, Pearman, Priddy, Rattliff, Reinhardt, P. Richardson, Riner, Seum, F. Smith, Thomas, Todd, Turner, Van Horn, Yates.

SB 294, by way of Committee Substitute as amended, was defeated.

SCR 30, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Moberly moved the adoption of the Committee Substitute to **SCR 30.** Agreed.

Representative Moberly moved that **SCR 30,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 82-Arnold, Barrows, Bendl, Bennett, Blandford, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Craddock, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Ford, Foster, Freibert, Gedling, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, White, Worthington, Yates. Nays 7-Brown, Cline, Crupper, Farrow, Moore, P. Richardson, Turner.

SCR 30, by way of Committee Substitute, was passed.

Representative LeMaster moved that the vote by which **SCR 30,** by way of Committee Substitute, was passed be reconsidered and said motion be placed on the table.

SB 303 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Richards moved that **SB 303** be passed.

On the roll call the vote was yeas 69-Arnold, Barrows, Bendl, Bennett, Blandford, Bronger, Brown, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Curd, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Ford, Foster, Freibert, Fryman, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Kidd, Layman, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Nett, Noe, O'Brien, Overstreet, Perkins, Petty, Priddy, Rapier, Rattliff, Richards, P. Richardson, Riner, B. Smith, F. Smith, Stone, Thomason, Todd, Turner, Van Horn, Worthington, Yates. Nays 17-Blevins, Cline, Cyrus, Endicott, Farrow, Gedling, Gray, Heleringer, Lefevers, Lundergan, Moore, Morris, Noland, Pearman, Reinhardt, Robinson, White.

SB 303 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 303** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 306 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative List moved that **SB 306** be passed.

On the roll call the vote was yeas 71-Arnold, Barrows, Bennett, Bronger, Bruce, Burch, Burnette, L. Clark, P. Clark, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Farrow, Foster, Gedling, Gray, Guenthner, Hancock, Handy, Head, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Kidd, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Worthington, Yates. Nays 15-Allen, Blevins, Brown, Caldwell, Endicott, Ford, Freibert, Fryman, Heleringer, Layman, Lefevers, Patrick, Pearman, Todd, Turner.

SB 306 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 306** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 236, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved the adoption of the Committee Amendment No. 1 to **SB 236**. Agreed.

Representative LeMaster moved that **SB 236**, as amended, be passed.

On the roll call the vote was yeas 57-Arnold, Barrows, Bendl, Bennett, Blevins, Brinkley, Brown, Bruce, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gedling, Guenthner, Harper, Head, Hines, Holbrook, Johnson, Kenton, Lefevers, LeMaster, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Morris, Nett, Noe, O'Brien, Perkins, Petty, Rapier, Reinhardt, Richards, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Worthington, Yates. Nays 28-Allen, Burch, Burnette, Caldwell, Craddock, Curd, Cyrus, Ellington, Endicott, Fryman, Gray, Hancock, Handy, Heleringer, Holloway, Layman, Lile, Meyer, Moore, Noland, Overstreet, Patrick, Pearman, Robinson, Todd, Turner, Van Horn, White.

SB 236, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 236**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 330 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cyrus moved that **SB 330** be passed.

On the roll call the vote was yeas 91-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

SB 330 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 330** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 132 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative McNutt moved that **SB 132** be passed.

On the roll call the vote was yeas 88-Allen, Arnold, Barrows, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 1-Bennett.

SB 132 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 132** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 300, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Brinkley moved that **SB 300** be passed.

On the roll call the vote was yeas 84-Allen, Arnold, Bendl, Bennett, Blandford, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, R. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moore, Morris, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

SB 300 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 300** was passed be reconsidered and said motion be placed on the table. Agreed.

Representative LeMaster moved that **HB 861** be recommitted to the Committee on State Government. Agreed.

Recess

Representative LeMaster moved that the House recess until 5 p.m. for a meeting of the Committee on Rules. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day (continued)

HB 4, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 1 to **HB 4** is as follows:

Amend printed copy of **HB 4** as follows:

On page 3, line 13, by deleting the words "*five percent*" and inserting in lieu thereof the words "*fifteen percent*";

And on page 3, line 14, by deleting the number "*(5%)*" and by inserting in lieu thereof "*(15%)*";

And on page 3, line 17, by deleting the words "*The insurance agent shall receive his*";

And on page 3, line 18, by deleting it in its entirety;

And on page 3, line 19, by deleting the words "*fees or taxes adopted pursuant to this section.*"

And on page 4, line 23, by deleting the words "*At the time of the quarterly payment due at the*" and by inserting in lieu thereof "*annually by March 31*";

And on page 4, line 24, by deleting the words "*end of each calendar year*";

And on page 5, after line 20, by inserting the following subsection:

"*(9) No license fee or tax imposed under this section shall apply to premiums received on policies of group health insurance provided for state employes under KRS 18A.225(2).*"

Representative Cline moved that the House concur in the Senate Amendment No. 1 to **HB 4.** Agreed.

Representative Cline moved that **HB 4,** as amended by the Senate, be passed.

On the roll call the vote was yeas 67-Arnold, Barrows, Bennett, Blevins, Bronger, Brown, Bruce, Burch, Caldwell, L. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Ellington, Ford, Freibert, Gedling, Hancock, Handy, Harper, Head, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kidd, Lefevers, LeMaster, Lile, List, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Noe, O'Brien, Overstreet, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Seum, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, Worthington, Yates. Nays 3-Farrow, Little, Noland.

HB 4, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 4,** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 486, with Senate Committee Substitute attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Committee Substitute to **HB 486** is as follows:

HB 486, AN ACT relating to sexually abused, missing and exploited children, including those persons who commit offenses relating thereto.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 15A IS CREATED TO READ AS FOLLOWS:

It is declared to be the legislative purpose of Sections 1 through 24 of this Act, and the public policy of the Commonwealth, that there be established, developed and utilized in the public interest, educational, informational, medical and charitable programs, as defined in this Act, concerning sexually abused, missing and exploited children including those persons who commit offenses relating thereto and that the same be managed in the public interest.

SECTION 2. A NEW SECTION OF KRS CHAPTER 15A IS CREATED TO READ AS FOLLOWS:

As used in Sections 1 through 16 of this Act:

(1) "Child" means a person under eighteen (18) years of age;

(2) "Child sexual abuse and exploitation" means harm to a child's health or welfare by any person, responsible or not for the child's health or welfare which harm occurs or is threatened through non-accident sexual contact which includes violations of KRS 510.040 to 510.150, 530.020, 530.070, 531.310, 531.320 and 531.370;

(3) "Local task force" means an organization which meets the criteria described in Section 10 of this Act;

(4) "Commission" means the state child sexual abuse and exploitation prevention commission created in Sections 3 and 4 of this Act;

(5) "Prevention program" means a system of direct provision of child sexual abuse and exploitation prevention services to a child, parent, or guardian, but shall not include research programs related to prevention of child sexual abuse and exploitation; and

(6) "Trust and agency account" means the child victims' trust and agency account established in Sections 8 and 14 for the purpose of funding child sexual abuse and exploitation prevention activities and programs in Section 6 of this Act;

(7) "Cabinet" means the justice cabinet;

(8) "Secretary" means the secretary of the justice cabinet;

(9) "Employer" means any nonprofit corporation or other organization specified by the secretary which employs or uses the services of volunteers in positions in which the volunteer or employe must have high moral character and will have supervisory or disciplinary power over a child or children;

(10) "Sex crime" means a conviction for a violation or attempted violation of KRS 510.040 to 510.150, 529.020 to 529.050, 529.070, 530.020, 531.310, 531.320, 531.340 to 531.370, and the criminal offense of unlawful transaction with a minor. Conviction for a violation or attempted violation of an offense committed outside the Commonwealth of Kentucky is a sex crime if such offense would have been a crime in Kentucky under one (1) of the above statutes committed in Kentucky.

SECTION 3. A NEW SECTION OF KRS CHAPTER 15A IS CREATED TO READ AS FOLLOWS:

(1) A state child sexual abuse and exploitation prevention commission shall be established within the justice cabinet. Budget, procurement, and related management and support functions for the commission shall be performed by the office of the secretary.

(2) The commission may utilize the personnel of the cabinet, who are designated by the secretary, to carry out the duties of the commission.

SECTION 4. A NEW SECTION OF KRS CHAPTER 15A IS CREATED TO READ AS FOLLOWS:

(1) The commission shall be appointed by the governor and shall be composed of not less than fifteen (15) nor more than thirty-three (33) members who have training, experience or special knowledge concerning youth or youth-serving programs, and the membership shall include representation from:

(a) Locally elected officials;
(b) Law enforcement;
(c) Agencies which provide prevention and treatment services to youth;
(d) Agencies which utilize volunteers to work with youth;
(e) Business;
(f) Education;
(g) Court system; and
(h) Private citizens.

(2) The term of each member shall be four (4) years, except that the initial membership shall be divided and appointed for staggered terms to ensure continuity of the commission's duties and functions. A vacancy shall be filled for the balance of the unexpired term in the same manner as the original appointments.

(3) The secretary shall serve as chairman or designate a chairperson of the commission in which case the chairperson shall serve in that position at the pleasure of the secretary. The commission may elect other officers and establish committees as it considers appropriate.

(4) There shall be no per diem compensation; however, the schedule for reimbursement of expenses for the members of the commission shall be the same as is established annually by the legislature for similar boards and commissions that are reimbursed from the general fund.

SECTION 5. A NEW SECTION OF KRS CHAPTER 15A IS CREATED TO READ AS FOLLOWS:

(1) The business which the commission performs shall be conducted at public meetings held in compliance with the open meetings act.

(2) Any final writing prepared, owned, used, in the possession of, or retained by the commission in the performance of an official function shall be made available to the public in compliance with the open records act.

SECTION 6. A NEW SECTION OF KRS CHAPTER 15A IS CREATED TO READ AS FOLLOWS:

(1) The commission shall do all of the following:

(a) Meet not less than twice annually at the call of the chairperson;

(b) One (1) year after the original appointment of the commission, and biennially thereafter, develop a state plan for the distribution of funds from the trust and agency account. In developing the plan, the commission shall review already existing prevention programs. The plan shall assure that an equal opportunity exists for establishment of prevention programs and receipt of trust and agency account money among all geographic areas in this state. The plan shall be transmitted to the clerk of the house of representatives, to the clerk of the senate, and to the governor;

(c) Provide for the coordination and exchange of information on the establishment and maintenance of prevention programs;

(d) Develop and publicize criteria for the receipt of trust and agency account money by eligible local task forces and eligible prevention programs;

(e) Review, approve, and monitor the expenditure of trust and agency account money by local task forces and prevention programs;

(f) Provide statewide educational and public informational seminars for the purpose of developing appropriate public awareness regarding the prevention of child abuse and exploitation; encourage professional persons and groups to recognize and deal with prevention of child abuse and exploitation; encourage and coordinate the development of local task forces; make information about the prevention of child sexual abuse and exploitation and organizations and agencies which deal with problems of child sexual abuse and exploitation available to the public; and encourage the development of community prevention programs; and

(g) Establish a procedure for an annual, internal evaluation of the functions, responsibilities, and performance of the commission. In a year in which the biennial state plan is prepared, the evaluation shall be coordinated with the preparation of the state plan.

(2) The commission may enter into contracts with public or private agencies to fulfill the requirements of this section. The commission shall utilize existing state resources and staff of participating

departments whenever practicable.

SECTION 7. A NEW SECTION OF KRS CHAPTER 15A IS CREATED TO READ AS FOLLOWS:

The commission shall recommend to the governor and the legislature changes in state programs, statutes, policies, budgets, and standards which will reduce the problem of child sexual abuse and exploitation, improve coordination among state agencies that provide prevention services; and improve the condition of children and parents or guardians who are in need of prevention program services.

SECTION 8. A NEW SECTION OF KRS CHAPTER 15A IS CREATED TO READ AS FOLLOWS:

The commission may receive and use in the furtherance of its lawful objectives such state funds as may be appropriated or allotted to it from time to time, any funds received for services rendered under contract or from the sale of property owned by it, and contributions, matching funds, gifts, bequests and devises from any source, whether state or federal, and whether public or private; unless the same be tendered subject to one or more conditions which are inconsistent with this Act, or otherwise unlawful. The acceptance and use of federal funds shall not cause a commitment of state funds nor place an obligation upon the legislature to continue the purposes for which the federal funds are made available. All funds received in the manner described in this section shall be transmitted to the state treasurer for deposit in the trust and agency account. Notwithstanding any other provision of law, the trust and agency account shall be made available for expenditure for the purposes stated in Section 6 of this Act only.

SECTION 9. A NEW SECTION OF KRS CHAPTER 15A IS CREATED TO READ AS FOLLOWS:

(1) The commission may authorize the disbursement of available money from the trust and agency account solely for the following purposes, which are listed in the order of preference for expenditure:

(a) To fund a private nonprofit or public organization in the development or operation of a prevention program if all of the following conditions are met:

1. The appropriate local task force has reviewed and approved the program. This subparagraph does not apply if a local task force does not exist for the geographic area to be served by the program;

2. The organization demonstrates an ability to match, through money, fifty percent (50%) of the amount of any trust and agency account money received;

3. The organization demonstrates a willingness and ability to provide program models and consultation to other organizations and communities regarding program development and maintenance; and

4. Other conditions that the commission may deem appropriate;

(b) To fund local task forces; and

(c) To fund the commission established in Section 2 of this Act for the actual and necessary operating expenses that the commission incurs in performing its duties.

(2) Authorizations for disbursement of trust and agency account money under subsection (1)(c) of this section shall be kept at a minimum in furtherance of the primary purpose of the trust and agency account which is to disburse money under subsections (1)(a) and (b) of this section to encourage the direct provision of services to prevent child abuse and exploitation.

SECTION 10. A NEW SECTION OF KRS CHAPTER 15A IS CREATED TO READ AS FOLLOWS:

In making grants to a local task force, the commission shall consider the degree to which the local task force meets the following criteria:

(1) Has as its primary purpose the development and facilitation of a collaborative community prevention program in a specific geographical area. The prevention program shall utilize trained volunteers and existing community resources wherever practicable;

(2) Is comprised of local law enforcement and social services representatives and does not exclude any organization or person that the commission deems necessary;

(3) Demonstrates a willingness and ability to provide prevention program models and consultation to other organizations and communities regarding prevention program development and maintenance;

(4) Demonstrates an ability to match, through money, fifty percent (50%) of the amount of any trust and agency account money received; and

(5) Other criteria that the commission deems appropriate.

SECTION 11. A NEW SECTION OF KRS CHAPTER 17 IS CREATED TO READ AS FOLLOWS:

(1) Notwithstanding any other provision of law, an employer may request from the justice cabinet records of all convictions involving any sex crimes of a person who applies for employment or volunteers for a position in which he or she must be of high moral character and would have supervisory or disciplinary power over a minor. The cabinet shall furnish the information to the requesting employer and shall also send a copy of the information to the applicant.

(2) Any request for records under subsection (1) of this section shall be on a form approved by the cabinet, and the cabinet may charge a fee, to be paid by the employer, which shall not exceed the actual costs

of processing the request. The cabinet shall destroy each application within six (6) months after the requested information has been sent to the employer and applicant.

(3) The cabinet shall adopt the necessary regulations to implement the provisions of this section.

SECTION 12. A NEW SECTION OF KRS CHAPTER 17 IS CREATED TO READ AS FOLLOWS:

(1) The cabinet shall establish a "Kentucky Missing Child Information Center" which shall serve as a central repository of and clearinghouse for information about Kentucky children believed to be missing and children from other states believed to be missing in Kentucky.

(2) The cabinet shall provide the missing child information center with computer equipment and a computer program which shall list and be capable of immediately retrieving the name and complete description of any missing Kentucky child referred to in subsection (1) of this section.

(3) The cabinet shall cause the design of a computer program which will accept and generate complete information on a missing child; such information shall be retrievable by the child's name and date of birth, social security number, fingerprint classification, any number of physical descriptions, including hair and eye color and body marks and known associates and locations.

(4) Only law enforcement agencies shall be authorized to order missing child information entered into or retrieved from the missing child information center computer, except that a parent or guardian may request from the state police that information on his or her child be entered or retrieved when another law enforcement agency has refused to enter or retrieve such missing child information.

(5) The cabinet, through the Kentucky Missing Child Information Center, shall regularly issue flyers containing physical and situational descriptions of missing children when determined necessary by the Kentucky Missing Child Information Center.

(6) A complete written report shall be issued annually by the cabinet, and shall include statistical information on the numbers of missing children entered into the computer and the number of missing children and recommendations for more accurate and timely reports and better usage of the Kentucky Missing Child Information Center.

(7) The cabinet shall issue regulations in conformance with this section which provide for the orderly receipt of missing child information and requests for retrieval of missing child information.

SECTION 13. A NEW SECTION OF KRS CHAPTER 17 IS CREATED TO READ AS FOLLOWS:

(1) Upon notification by a parent or guardian that a child is missing, the law enforcement agency receiving notification shall immediately complete a missing person's report in a form prescribed by the cabinet, which shall include such information as the cabinet deems necessary for the identification of the missing child, including the child's physical description, last known location and known associates.

(2) Within twenty-four (24) hours thereafter, the law enforcement agency shall investigate the report, shall inform all appropriate law enforcement officers of the existence of the missing child report, and shall communicate the report to every other law enforcement agency having jurisdiction in the area.

(3) Within twenty-four (24) hours after completion of the missing person's report form, the law enforcement agency shall cause to be entered into the Kentucky Missing Child Information Center computer and the National Crime Information Center all available information.

(4) Immediately after a missing child is located and returned to his parent, guardian or to the state, if a ward of the state, the law enforcement agency which found or returned the missing child shall cause a cancellation notice to be entered in both the missing child information center and the national crime information center.

SECTION 14. A NEW SECTION OF KRS CHAPTER 41 IS CREATED TO READ AS FOLLOWS:

(1) The child victims' trust and agency account is created as a separate fund in the office of the state treasurer. The trust and agency account shall be expended only as provided in this Act.

(2) The state treasurer shall credit to the trust and agency account all amounts received and appropriated for this purpose and any amounts received under Section 15 of this Act.

(3) The state treasurer shall invest trust and agency account money in the same manner as surplus funds are invested. Earnings shall be credited to the trust and agency account.

(4) Until the total amount of assets in the trust and agency account exceeds twenty million dollars ($20,000,000), not more than one-half of the money contributed to the trust and agency account each year, plus the earnings credited to the trust and agency account during the previous fiscal year, shall be available for disbursement upon the authorization of the commission as provided in Section 9 of this Act. After such time that the state treasurer certifies that the assets in the trust and agency account exceed twenty million dollars ($20,000,000), only the earnings credited to the trust and agency account shall be available for disbursement upon the authorization of the commission as provided in Section 9 of this Act.

(5) Funds granted or funds received as gifts or donations to the child victims' trust and agency account shall be available for disbursement upon authorization of the commission, and funds authorized for expenditure shall not be considered assets for purposes of subsection (4) of this section.

SECTION 15. A NEW SECTION OF KRS CHAPTER 141 IS CREATED TO READ AS FOLLOWS:

(1) Effective for the tax year beginning January 1, 1984, and until the state treasurer certifies that the assets in the child victims' trust and agency account exceed twenty million dollars ($20,000,000), any individual who is entitled to a tax refund sufficient to make a designation under this section may designate that two dollars ($2.00) of his or her refund be credited to the child victims' trust and agency account. In the case of a joint return of husband and wife who are entitled to a tax refund under this Act sufficient to make a designation under this section, a designation may be made that four dollars ($4.00) of their refund be credited to the child victims' trust and agency account.

(2) The tax designation authorized in this section shall be clearly and unambiguously printed on the first page of the state individual income tax return.

(3) The proceeds derived from the tax designation shall be credited to the child victims' trust and agency account to be allocated and distributed only as provided in this Act.

SECTION 16. A NEW SECTION OF KRS CHAPTER 156 IS CREATED TO READ AS FOLLOWS:

(1) The department of education shall provide, by regulation, for a provision to identify and locate missing Kentucky school children who are enrolled in Kentucky public and private schools in kindergarten through grade twelve (12). Pursuant to such provision, the department shall:

(a) Prepare forms to be forwarded upon request, to the parents or guardians of missing Kentucky school children enrolled in kindergarten through grade twelve (12). The forms shall be designed to include such information as the department deems necessary for the identification of a missing child, including the child's physical description and last known location; or the department may obtain such information from the Kentucky Missing Child Information Center if such information exists;

(b) Compile information on all missing Kentucky school children, to be distributed monthly to all public and private schools admitting children to kindergarten through grade twelve (12); information shall include the names of all such missing children, together with such other information as the department deems necessary; and

(c) Notify the appropriate local, state or federal law enforcement authority as soon as any additional information is obtained or contact is made with respect to a missing Kentucky school child.

(2) Every public and private school in this state shall notify the department of education upon the earliest known contact with any child identified by the department as a missing child.

(3) The department shall encourage each public and private school to engage in a program whereby the parents of children who are absent from school are notified in person or by telephone to verify if they know that the child is not attending school.

Section 17. KRS 346.010 is amended to read as follows:

The general assembly hereby declares that it serves a public purpose and is of benefit to the state to indemnify those needy residents of the Commonwealth of Kentucky who are innocent victims of criminal acts and who suffer bodily *or, in the case of a child, psychological* injury or death as a consequence thereof. Such persons or their dependents may thereby suffer disability, incur financial hardships and become dependent upon public assistance. To that end, it is the general assembly's intent that aid, care and support be provided by the state, as a matter of grace, for such victims of crime.

Section 18. KRS 346.020 is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Board" means the crime victims compensation board.

(2) "Child" means any person less than eighteen (18) years of age.

(3) "Claimant" means any of the following claiming compensation under this chapter: a victim, a dependent of a deceased victim, a third person other than a collateral source, or an authorized person acting on behalf of any of them.

(4)[~~(3)~~] "Criminally injurious conduct" means conduct that occurs or is attempted in this jurisdiction, poses a substantial threat of personal *physical, or in the case of a child, psychological* injury or death, and is punishable by fine, imprisonment or death. Acts which, but for the insanity or mental irresponsibility or lack of capacity of the perpetrator, would constitute criminal conduct shall be deemed to be criminally injurious conduct. The operation of a motor vehicle, motorcycle, train, boat, aircraft or other vehicle in violation of law does not constitute a criminally injurious conduct unless the injury or death was intentionally inflicted.

(5)[~~(4)~~] "Family," when used with reference to a person, shall mean:

(a) Any person related to such person within the third degree of consanguinity;

(b) Any person maintaining a sexual relationship with such person; or

(c) Any person residing in the same household with such person.

(6)[~~(5)~~] "Victim" means a resident of this state or the resident of a reciprocal state, who suffers personal *physical or in the case of a child, psychological* injury or death from a criminal act in Kentucky as a result of:

(a) Criminally injurious conduct;

(b) A good faith effort to prevent criminally injurious conduct; or

(c) A good faith effort to apprehend a person reasonably suspected of engaging in criminally injurious conduct.

Section 19. KRS 346.130 is amended to read as follows:

(1) No award shall be made unless the board or board member, as the case may be, finds that:

(a) Criminally injurious conduct occurred;

(b) Such criminally injurious conduct resulted in personal physical *or, in the case of a child, psychological* injury to or death of, the victim; and

(c) Police records show that such crime was promptly reported to the proper authorities; and in no case may an award be made where the police records show that such report was made more than forty-eight (48) hours after the occurrence of such crime unless the board for good cause shown, finds the delay to have been justified.

(2) The board upon finding that the claimant or victim has not fully cooperated with appropriate law enforcement agencies shall deny, reconsider, or reduce an award.

(3) Any award made pursuant to this chapter shall exclude therefrom the initial one hundred dollars ($100) of losses incurred and shall be in an amount not exceeding out-of-pocket expenses, including indebtedness reasonably incurred for medical or other services necessary as a result of the injury upon which the claim is based, together with loss of earnings or support resulting from such injury. Provided, however, that any award made pursuant to this chapter to a victim sixty-five (65) years of age or older shall not exclude therefrom the initial one hundred dollars ($100) of losses incurred.

(4) Any award made for loss of earnings or support shall, unless reduced pursuant to other provisions of this chapter be in an amount equal to the actual loss sustained; provided, however, that no such award shall exceed one hundred fifty dollars ($150) for each week of lost earnings or support. If there are two (2) or more persons entitled to an award as a result of the injury or death of a person which is the direct result of criminally injurious conduct the award shall be apportioned by the board among the claimants.

(5) The board is authorized to set a reasonable limit for the payment of funeral and burial expenses which shall include funeral costs, a monument and grave plot. In no event shall an award for funeral expenses exceed twenty-five hundred dollars ($2,500).

(6) Any award made under this chapter shall not exceed fifteen thousand dollars ($15,000).

SECTION 20. A NEW SECTION OF KRS CHAPTER 421 IS CREATED TO READ AS FOLLOWS:

(1) This Act applies only to a proceeding in the prosecution of an offense, including but not limited to an offense under KRS 510.040 to 510.150, 529.030 to 529.050, 529.070, 530.020, 531.310, 531.320, 532.370, and the criminal offense of unlawful transaction with a minor when the minor is induced, assisted or caused to engage in illegal sexual activity, when the act is alleged to have been committed against a child twelve (12) years of age or younger, and applies only to the statements or testimony of that child.

(2) The recording of an oral statement of the child made before the proceeding begins is admissible into evidence if:

(a) No attorney for either party was present when the statement was made;

(b) The recording is both visual and oral and is recorded on film or videotape or by other electronic means;

(c) The recording equipment was capable of making an accurate recording, the operator of the equipment was competent, and the recording is accurate and has not been altered;

(d) The statement was not made in response to questioning calculated to lead the child to make a particular statement;

(e) Every voice on the recording is identified;

(f) The person conducting the interview of the child in the recording is present at the proceeding and available to testify or be cross-examined by either party;

(g) The defendant or the attorney for the defendant is afforded an opportunity to view the recording before it is offered into evidence; and

(h) The child is available to testify.

If the electronic recording of the oral statement of a child is admitted into evidence under this section, either party may call the child to testify, and the opposing party may cross-examine the child.

(3) The court may, on the motion of the attorney for any party, order that the testimony of the child be taken in a room other than the courtroom and be televised by closed circuit equipment in the courtroom to be viewed by the court and the finder of fact in the proceeding. Only the attorneys for the defendant and for the state, persons necessary to operate the equipment, and any person whose presence would contribute to the welfare or well-being of the child may be present in the room with the child during his testimony. Only the attorneys may question the child. The persons operating the equipment shall be confined to an adjacent room or behind a screen or mirror that permits them to see and hear the child during his testimony, but does not permit the child to see or hear them. The court shall permit the defendant to observe and hear the testimony

of the child in person, but shall ensure that the child cannot hear or see the defendant.

(4) The court may, on the motion of the attorney for any party, order that the testimony of the child be taken outside the courtroom and be recorded for showing in the courtroom before the court and the finder of fact in the proceeding. Only those persons permitted to be present at the taking of testimony under subsection (3) of this section may be present during the taking of the child's testimony, and the persons operating the equipment shall be confined from the child's sight and hearing as provided by subsection (3) of this section. The court shall permit the defendant to observe and hear the testimony of the child in person, but shall ensure that the child cannot hear or see the defendant. The court shall also ensure that:

(a) The recording is both visual and oral and is recorded on film or videotape or by other electronic means;

(b) The recording equipment was capable of making an accurate recording, the operator was competent, and the recording is accurate and is not altered;

(c) Each voice on the recording is identified; and

(d) Each party is afforded an opportunity to view the recording before it is shown in the courtroom.

(5) If the court orders the testimony of a child to be taken under subsections (3) or (4) of this section, the child may not be required to testify in court at the proceeding for which the testimony was taken.

SECTION 21. A NEW SECTION OF KRS CHAPTER 530 IS CREATED TO READ AS FOLLOWS:

(1) A person is guilty of unlawful transaction with a minor in the first degree when he knowingly induces, assists, or causes a minor to engage in illegal sexual activity except those offenses involving minors in KRS Chapter 531 and KRS 529.040(1)(b), illegal controlled substances activity, illegal gambling activity, or any other criminal activity constituting a felony.

(2) Unlawful transaction with a minor in the first degree is a Class D felony.

Section 22. KRS 530.070 is amended to read as follows:

(1) A person is guilty of unlawful transaction with a minor *in the second degree* when:

(a) Acting other than as a retail licensee, he knowingly sells, gives, purchases or procures any alcoholic or malt beverage in any form to or for a minor. The defendant may prove in exculpation that the sale was induced by the use of false, fraudulent, or altered identification papers or other documents and that the appearance and character of the purchaser were such that his age could not have been ascertained by any other means and that the purchaser's appearance and character indicated strongly that he was of legal age to purchase alcoholic beverages. This subsection does not apply to a parent or guardian of the minor; or

(b) He knowingly induces, assists, or causes a minor to engage in illegal [~~sexual activity except those offenses involving minors in KRS Chapter 531 and KRS 529.040(1)(b), illegal controlled substances activity, illegal gambling activity~~] or any other criminal activity; or

(c) He knowingly induces, assists or causes a minor to become a habitual truant; or

(d) He persistently and knowingly induces, assists or causes a minor to disobey his parent or guardian.

(2) Unlawful transaction with a minor *in the second degree* is a Class A misdemeanor.

Section 23. KRS 532.040 is amended to read as follows:

When a person is convicted of an offense, other than a capital offense, the court, where authorized by KRS Chapter 533 *and where not prohibited by other provisions of applicable law,* may sentence such person to a period of probation or to a period of conditional discharge as provided in that chapter. A sentence to probation or conditional discharge shall be deemed a tentative one to the extent that it may be altered or revoked in accordance with KRS Chapter 533, but for purposes of appeal shall be deemed to be a final judgment of conviction. In any case where the court imposes a sentence of probation or conditional discharge, it may also impose a fine as authorized by KRS Chapter 534.

SECTION 24. A NEW SECTION OF KRS CHAPTER 532 IS CREATED TO READ AS FOLLOWS:

(1) Notwithstanding other provisions of applicable law, probation shall not be granted to, nor shall the execution or imposition of sentence be suspended for, nor shall a finding bringing the defendant within the provision of this section be stricken for any of the following persons:

(a) A person convicted of violating KRS 510.040 to 510.150, 529.030 to 529.050, 529.070, 530.020, 531.310, 531.320, 531.370, or the criminal offense of unlawful transaction with a minor when the minor is induced, assisted or caused to engage in illegal sexual activity, when the act is committed against a minor by the use of force, violence, duress, menace or threat of bodily harm;

(b) A person who, in committing any of the offenses enumerated in subsection (1)(a) of this section, caused bodily injury to the minor;

(c) A person convicted of any of the offenses enumerated in subsection (1)(a) of this section and who was a stranger to the minor or made friends with the minor for the purpose of committing an act constituting any of the offenses enumerated in subsection (1)(a) of this section, unless the defendant honestly and reasonably believed the minor was eighteen (18) years old or older;

(d) A person who used a dangerous instrument or deadly weapon against a minor during the

commission of any of the offenses enumerated in subsection (1)(a) of this section;

(e) A person convicted of any of the offenses enumerated in subsection (1)(a) of this section and who has had a prior conviction of assaulting a minor, with intent to commit an act constituting any of the offenses enumerated in subsection (1)(a) of this section;

(f) A person convicted of kidnapping a minor in violation of the Kentucky penal code and who kidnapped the minor for the purpose of committing an act constituting any of the offenses enumerated in subsection (1)(a) of this section;

(g) A person who is convicted of committing any of the offenses enumerated in subsection (1)(a) of this section on more than one (1) minor at the same time or in the same course of conduct;

(h) A person who in committing any of the offenses enumerated in subsection (1)(a) of this section has substantial sexual conduct with a minor under the age of fourteen (14) years;

(i) A person who occupies a position of special trust and commits an act of substantial sexual conduct. "Position of special trust" means that position occupied by a person in a position of authority who by reason of that position is able to exercise undue influence over the minor. Position of authority includes, but is not limited to, the position occupied by a natural parent, adoptive parent, stepparent, foster parent, relative, household member, adult youth leader, recreational director who is an adult, adult athletic manager, adult coach, teacher, counselor, religious leader, doctor, or employer.

(2) "Substantial sexual conduct" means penetration of the vagina or rectum by the penis of the offender or by any foreign object, oral copulation, or masturbation of either the minor or the offender.

Representative O'Brien moved that the House refuse to concur in the Senate Committee Substitute to **HB 486**. Agreed.

HB 493, with Senate Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 3 to **HB 493** is as follows:

Amend printed copy of **HB 493**, beginning on page 1, line 21, by inserting the following:

"Section 2. KRS 216B.020 is amended to read as follows:

(1) The provisions of this chapter that relate to the issuance of a certificate of need shall not apply to family care homes *or non-conforming ambulance services as defined by administrative regulation* [~~, ambulance services, or non-emergency health transportation services~~].

(2) Nothing in this chapter shall be construed to authorize the licensure, supervision, regulation or control in any manner of:

(a) Private offices and clinics of physicians, dentists, and other practitioners of the healing arts.

(b) Office buildings built by or on behalf of a health facility for the exclusive use of physicians, dentists and other practitioners of the healing arts, provided that no capital expenditure or expenses relating to any such building shall be chargeable to or reimbursable as a cost for providing inpatient services offered by a health facility.

(c) Dispensaries and first-aid stations located within businesses or industrial establishments maintained solely for the use of employes, provided that such facility does not contain inpatient or resident beds for patients or employes who generally remain in the facility for more than twenty-four (24) hours.

(d) Establishments, such as motels, hotels and boarding houses which provide domiciliary and auxiliary commercial services, but do not provide any health related services and boarding houses which are operated by persons contracting with the United States veterans administration for boarding services.

(e) The remedial care or treatment of residents or patients in any home or institution conducted only for those who rely solely upon treatment by prayer or spiritual means in accordance with the creed or tenets of any recognized church or religious denomination and recognized by that church or denomination.

(f) On-duty police and fire department personnel assisting in emergency situations by providing first-aid or transportation when regular emergency units licensed to provide first-aid or transportation are unable to arrive at the scene of an emergency situation within a reasonable time.

SECTION 3. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

All conforming ambulance services, but no non-conforming ambulance services, shall be required to keep adequate reports and records to be maintained at the ambulance base headquarters, and to be available for periodic review as deemed necessary by the board. Required records and reports are as follows:

(1) Two (2) copies of the Kentucky emergency medical service ambulance run report form, one (1) copy to be kept in the files of the ambulance services and one (1) copy to be submitted to the hospital to which the patient is transported and maintained in the hospital's files;

(2) Employe records, including a resume of each employe's training and experience and evidence of current certification; and

(3) Health records of all drivers and attendants including records of all illnesses or accidents occurring while on duty."

The Senate Amendment No. 2 (Title) to **HB 493** is as follows:

Amend printed copy of **HB 493,** title, to read as follows:

"AN ACT relating to emergency medical services."

Representative Donnermeyer moved that the House concur in the Senate Amendment No. 3 to **HB 493**. Agreed.

Representative Donnermeyer moved that the House concur in the Senate Amendment No. 2 (Title) to **HB 493**. Agreed.

Representative Donnermeyer moved that **HB 493,** as amended by the Senate, be passed.

On the roll call the vote was yeas 80-Arnold, Barrows, Bennett, Blevins, Bronger, Brown, Burch, Burnette, Caldwell, L. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gedling, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moore, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, Seum, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 3-Bendl, Gray, Rapier.

HB 493, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 493,** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 738, with Senate Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 1 to **HB 738** is as follows:

Amend printed copy of **HB 738** as follows:

On page 2, line 9, after the word "inventory" by placing an opening bracket before the word "*, openly*"; and

On line 10, after the word "*selection,*" by placing a closing bracket and striking through the language contained within the brackets; and

On line 11, after the word "than" by placing an opening bracket before the word "*ten*" and a closing bracket after the phrase "*dollars ($10,000)*" and striking through the language contained within the brackets; and

On line 11, by deleting the opening bracket before the word "five"; and

On line 12, by deleting the closing bracket after the phrase "dollars ($5,000)" and deleting the strike-throughs contained within the brackets; and

On line 15, after the word "*mean,*" by deleting the phrase "*any food or food*" and deleting lines 16 through 26 in their entirety; and

On page 3, by deleting line 1 in its entirety and inserting in lieu thereof the following language "*:*

(a) Any food or food product intended for human consumption except alcoholic beverages, tobacco, and hot foods and hot food products prepared for immediate consumption;

(b) Seeds and plants to grow food for personal consumption."

The Senate Amendment No. 2 to **HB 738** is as follows:

Amend printed copy of **HB 738** as follows:

On page 3, after line 6, by inserting the following language:

"*(5) The provisions of this section shall not apply to any licensed premises which sells no fuel other than marine fuel.*"

Representative Bronger moved that the House concur in the Senate Amendment No. 1 to **HB 738.** Agreed.

Representative Bronger moved that the House concur in the Senate Amendment No. 2 to **HB 738.** Agreed.

Representative Bronger moved that **HB 738,** as amended by the Senate, be passed.

On the roll call the vote was yeas 60-Bendl, Bennett, Blevins, Brinkley, Bronger, Burch, Burnette, Caldwell, L. Clark, Clarke, Cowan, Crupper, Curd, Dawahare, Donnermeyer, Dunn, Ford, Foster, Freibert, Fryman, Guenthner, Harper, Hines, Holbrook, Holloway, Johnson, T. Jones, Kenton, Kidd, LeMaster, Lile, List, Long, Lundergan, Maggard, Mann, McBee, McElroy, Meyer, Moberly, Nett, Noland, O'Brien, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Seum, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Worthington, Yates. Nays 17-Brown, Cline, Cyrus, Farrow, Gedling, Gray, Hancock, Heleringer, R. Jones, Lefevers, Little, Moore, Pearman, Rattliff, Todd, Turner, White.

HB 738, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 738,** was passed be reconsidered and said motion be placed on the table. Agreed.

HB 937, with Senate Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 2 to **HB 937** is as follows:

Amend printed copy of **HB 937** as follows:

On page 4, by deleting lines 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, and 21 in their entirety.

On page 4, line 10 by inserting the following: "The governor shall appoint as commissioner [~~of banking and securities~~] a person knowledgeable in banking with not less than *three (3)* [~~five (5)~~] years' banking experience. For this purpose, "banking experience" means service as an executive *officer* in a bank *with its principal office* located in Kentucky *or service in a supervisory capacity in a state or federal agency having regulatory authority over banks or other financial institutions* [~~in a grade not lower than cashier, or service as a deputy commissioner or examiner in the department of banking and securities or in the former division of banking of Kentucky, or as director of former division of banking, or as former commissioner of banking~~].

Page 56, line 15, by deleting "*nine (9)*" and inserting in lieu thereof "*ten (10)*"

Page 56, line 18 by deleting the colon and inserting in lieu thereof a period, and following the period by adding the following:

"*It is recommended that the board appointments made by the governor be selected from the following:*"

Page 57, after line 2 and before line 3 by inserting "*(e) One (1) member selected from the savings and loan industry regulated by the department;*"

Page 57, line 3, subsection *(e)* becomes subsection *(f)*

Page 57, line 7, subsection *(f)* becomes subsection *(g)*

Page 57, line 11, by deleting "*or*" and inserting in lieu thereof a comma; and after "*industrial loan industry*" by adding "*or savings and loan industry*"

Page 57, line 18, by deleting "*two (2) four-year terms*" and inserting in lieu thereof "*three (3) four-year terms*"

The Senate Amendment No. 3 to **HB 937** is as follows:

Amend printed copy of **HB 937** as follows:

On page 75, after line 12, by inserting the following language:

"Section 60. KRS 42.500 is amended to read as follows:

(1) There shall be a state investment commission composed of the governor who shall be chairman, the state treasurer who shall be vice-chairman and serve as chairman in the absence of the governor, the secretary of the department of finance, *and two (2) persons appointed by the governor* [~~one (1) person appointed by the speaker of the house of representatives and one (1) person appointed by the president pro tempore of the senate~~].

(2) The individuals appointed by the *governor shall be selected as follows: one (1) to be selected from a list of five (5) submitted to the governor by the Kentucky Bankers Association, and one (1) to be selected from a list of five (5) submitted to the governor by the Independent Community Bankers Association.* [~~speaker of the house of representatives and the president pro tempore of the senate shall have knowledge and experience in investments and financial management.~~]

(3) The state investment commission shall meet at least once per month to review investment performance and conduct other business.

(4) Three (3) members of the commission shall constitute a quorum. Any three (3) members of the commission may call a meeting.

(5) The terms of office of the individuals appointed by the speaker of the house of representatives and the president pro tempore of the senate shall expire four (4) years from the date of their appointment.

(6) The provisions of KRS 61.070 shall not apply to members of the commission.

(7) The commission shall have authority to and may invest any and all surplus funds of the state in direct obligations of the United States government, or of the Commonwealth of Kentucky. All such investments shall be obligations that will mature within five (5) years from the date of investment.

(8) The commission shall also have authority and may, whenever in its opinion the cash in the state treasury is in excess of the amount required to meet current expenditures, invest any and all of said excess cash in United States treasury bills or certificates of indebtedness or any other United States government security which will mature within one (1) year from the date of investment.

(9) The commission shall also have authority and may, whenever in its opinion the cash in the state treasury is in excess of the amount required to meet current expenditures, invest any and all of said excess cash in:

(a) Obligations backed by the full faith and credit of the United States or a U.S. government agency, including but not limited to:

1. U.S. treasury;
2. Export-import bank of the United States;
3. Farmers home administration;
4. Governmental national mortgage corporation;
5. Merchant marine bonds.

(b) Obligations of any corporation of the U.S. government, including but not limited to:

1. Federal home loan mortgage corporation;
2. Federal farm credit banks;
a. Bank for cooperatives;
b. Federal intermediate credit banks;
c. Federal land banks;
3. Federal home loan banks;
4. Federal national mortgage association;
5. Tennessee Valley Authority obligations.

(c) Collateralized certificates of deposit, or other interest-bearing accounts in depository institutions chartered by this state or by the United States, except for shares in mutual savings banks;

(10) Interest earned from investments made pursuant to this section shall accrue to the credit of the surplus account of the general fund, except that interest from investments of excess cash in the road fund shall be credited to the surplus account of the road fund and interest from investments of excess cash in the game and fish fund shall be credited to the game and fish fund, interest earned from investments of imprest cash funds and funds in the trust and revolving fund for each state public university shall be credited to the appropriate institutional account, and interest earned from the investment of funds accumulated solely by means of contributions and gifts shall not be diverted to any purpose other than that stipulated by the donor, when such donor shall have designated the use to which such interest shall be placed, and interest earned from the investment of moneys appropriated to the capital construction fund and its accounts shall accrue to the capital construction surplus account of the capital construction fund.

(11) The authority granted by this section to the state investment commission shall not extend to any funds that are specifically provided by law to be invested by some other officer or agency of the state government.

(12) The authority granted by this section to the state investment commission shall only be exercised pursuant to the regulations mandated by KRS 42.525.

(13) Each member of the state investment commission shall post bond for his acts or omissions as a member thereof identical in amount and kind to that posted by the state treasurer."

Representative P. Richardson moved that the House concur in the Senate Amendment No. 2 to **HB 937**. Agreed.

Representative P. Richardson moved that the House concur in the Senate Amendment No. 3 to **HB 937**. Agreed.

Representative P. Richardson moved that **HB 937,** as amended by the Senate, be passed.

On the roll call the vote was yeas 80-Arnold, Bennett, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Foster, Freibert, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, O'Brien, Overstreet, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 8-Farrow, Ford, Fryman, Layman, Moore, Noland, Pearman, Thomas.

HB 937, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 937,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 1006, with Senate Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

The Senate Committee Substitute to **HB 1006** is as follows:

HB 1006, AN ACT relating to the financing of the commission on fire protection personnel standards and education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 95A.240 is amended to read as follows:

(1) The commission shall administer the fund pursuant to the provisions of KRS 95A.200 to 95A.300 and may issue such reasonable rules and regulations as, in its discretion, will facilitate the administration of the fund and further the purposes of KRS 95A.200 to 95A.300.

(2) The commission shall determine which local governments are eligible to share in the fund and may withhold or terminate payments to any local government that does not comply with the requirements of KRS 95A.200 to 95A.300 or the rules and regulations issued by the commission thereunder.

(3) The commission shall, from the moneys appropriated to *and accruing to* the fund *from any*

source, reimburse the department of housing, buildings and construction for salaries and other costs of administering the fund, *including, but not limited to the expenses and costs of commission operations.* The amount of reimbursement for any given year shall be determined by the commission and shall not exceed five percent (5%) of the total appropriation to the fund for that year.

Section 2. KRS 17.250 is amended to read as follows:

(1) There is created and established within the department of housing, buildings and construction a volunteer fire department aid fund consisting of insurance premium surcharge proceeds as provided in subsection (2) of KRS 136.392. All moneys remaining in this fund on July 1, 1982, and deposited thereafter, including earnings from their investment, shall be deemed a trust and agency account, and shall not lapse, and shall be continuously appropriated for the purposes specified herein and in KRS 61.316.

(2) Except as provided in subsection (3) of this section and KRS 61.316, the state fire marshal shall allot on an annual basis an equal share of the funds accruing to and appropriated for volunteer fire department aid to volunteer fire departments in cities of all classes, fire protection districts organized pursuant to KRS Chapter 75, county districts established under authority of KRS 67.083, and all other organized volunteer fire departments recognized by the department of housing, buildings and construction as fire departments operated and maintained on a nonprofit basis in the interest of the health, safety, prosperity and security of the inhabitants of the Commonwealth. He shall prescribe regulations and standards for determining the amounts to be granted. Such standards shall be based on the number of both paid fire fighters and volunteer firemen within a volunteer fire department, the amount of equipment, housing facilities available and such other matters or standards as will best effect the purposes of the volunteer fire department aid law. No allotment shall exceed the total value of the funds, equipment, lands and buildings made available to the local fire units from any source whatever for the year in which the allotment is made. A portion of the funds provided for above may be used to purchase group or blanket health insurance and workers' compensation insurance, and the remaining funds shall be distributed as set forth in this section.

(3) For the biennium beginning July 1, *1984* [~~1982~~] and ending June 30, *1986* [~~1984~~], two hundred thousand dollars ($200,000) of the insurance premium surcharge proceeds accruing to the volunteer fire department aid fund shall be allocated *each fiscal year of the biennium* to the fire fighters training center fund, which is hereby created and established, for the purposes of constructing new or upgrading existing training centers for fire fighters. *If any monies in the training center fund remain uncommitted, unobligated or unexpended at the close of the first fiscal year of the biennium, then such monies shall be carried forward to the second fiscal year of the biennium, and shall be reallocated to and for the use of the training center fund, in addition to the second fiscal year's allocation of two hundred thousand dollars ($200,000).* Prior to funding any project pursuant to this subsection, a proposed project shall be approved by the commission on fire protection personnel standards and education as provided in subsection (4) of this section and shall comply with state laws applicable to capital construction projects.

(4) Applications for funding of fire fighters training center funds shall be submitted to the commission on fire protection personnel standards and education for their recommendation, approval, disapproval or modification. The commission shall review applications periodically, and shall, subject to funds available, recommend which applications shall be funded and at what levels, together with any terms and conditions the commission deems necessary.

(5) Any department or entity eligible for and receiving funding pursuant to this section shall have a minimum of seventy-five percent (75%) of its personnel certified as recognized by the commission on fire protection personnel standards and education.

(6) Upon the written request of any department, the commission on fire protection personnel standards and education shall make available a certified training program in a county of which such department is located.

(7) The amount of reimbursement for any given year for costs incurred by the department for administering these funds, *including, but not limited to the expenses and costs of commission operations,* shall be determined by the commission and shall not exceed five percent (5%) of the total amount of moneys accruing to the volunteer fire department aid fund during any fiscal year.

Representative Hancock moved that the House concur in the Senate Committee Substitute to **HB 1006.** Agreed.

Representative Hancock moved that **HB 1006,** by way of Senate Committee Substitute, be passed.

On the roll call the vote was yeas 85-Arnold, Bendl, Bennett, Blevins, Bronger, Brown, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, T. Jones, Kenton, Kidd, Layman, Lefevers, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

HB 1006, by way of Senate Committee Substitute, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 1006,** by way of Senate Committee Substitute, was passed be reconsidered and said motion be placed on the table. Agreed.

HJR 63, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 1 to **HJR 63** is as follows:

Amend printed copy of **HJR 63** as follows:

On page 2, line 5, insert after "and" the following language "two members of"; and

on page 2, line 6, delete "chairpersons of the"; and

on page 2, line 7, delete "or their designees."

Representative Morris moved that the House concur in the Senate Amendment No. 1 to **HJR 63.** Agreed.

Representative Morris moved that **HJR 63,** as amended by the Senate, be passed.

On the roll call the vote was yeas 86-Allen, Arnold, Bendl, Bennett, Blevins, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

HJR 63, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HJR 63,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 266, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 1 to **HB 266** is as follows:

Amend printed copy of **HB 266** as follows:

On page 1, line 8, by inserting after the words "*by the*" the following: "*governor*" and by deleting the following: "*secretary*"; and

On page 1, line 9, by inserting after the word "*members*" the following: "*who may have professional backgrounds*"

Representative List moved that the House concur in the Senate Amendment No. 1 to **HB 266.** Agreed.

Representative List moved that **HB 266,** as amended by the Senate, be passed.

On the roll call the vote was yeas 70-Arnold, Barrows, Bendl, Bennett, Brinkley, Bronger, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Gray, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Nett, Noe, O'Brien, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Seum, B. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Worthington, Yates. Nays 18-Blevins, Brown, Cline, Ford, Fryman, Gedling, Heleringer, Layman, Lefevers, Moore, Noland, Overstreet, Pearman, Rattliff, Robinson, F. Smith, Todd, Turner.

HB 266, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 266,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 515, with Senate Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 1 to **HB 515** is as follows:

Amend printed copy of **HB 515** as follows:

On page 2, after line 7, by adding the following language:

SECTION 8. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

Upon receiving notice that Kentucky has been designated a host state pursuant to the provisions of the Midwest Interstate Compact on Low-Level Radioactive Waste, the governor shall, within 90 days, execute and deliver formal notice of withdrawal of the Commonwealth from the Midwest Interstate Compact pursuant to Article VIII of said compact.

The Senate Amendment No. 2 to **HB 515** is as follows:

Amend printed copy of **HB 515** as follows:

On page 1, Title line, by deleting the title and inserting in lieu thereof: "AN ACT relating to state agencies."

Representative O'Brien moved that the House refuse to concur in the Senate Amendments to **HB 515.** Agreed.

HB 557, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 1 to **HB 557** is as follows:

Amend printed copy of **HB 557** as follows:

Page 1, line 12, by changing the word "*Chapter*" to "*Chapters*"

and on page 1, line 12, by inserting after "*271A*" the following: "and *273*"

and on page 1, line 18, by inserting after the word "*chartered*" the following: "*under the provisions of this chapter or under the provisions of KRS 273.161 to 273.400*"

Representative Donnermeyer moved that the House concur in the Senate Amendment No. 1 to **HB 557.** Agreed.

Representative Donnermeyer moved that **HB 557,** as amended by the Senate, be passed.

On the roll call the vote was yeas 82-Allen, Arnold, Bendl, Bennett, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holloway, Johnson, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Worthington, Yates. Nays 1-Patrick.

HB 557, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 557,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 640, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 1 to **HB 640** is as follows:

Amend printed copy of **HB 640** as follows:

On page 1, line 9, after "*1983*" by deleting the words "*and any fed-*"; and

On page 1, by deleting lines 10 and 11 in their entirety; and

On page 1, line 12, by deleting the words "*within a broad functional area*"; and

On page 5, line 21, after the word "agency" and before the word "unless" by adding the words "*, which has not previously been specifically approved as a block grant by the General Assembly in the biennial budget process as having complied with the criteria specified in Section 5 of this Act,*"; and

On page 12, line 15, after the word "section" and before the period, by adding the word "*quarterly.*"

Representative LeMaster moved that the House concur in the Senate Amendment No. 1 to **HB 640.** Agreed.

Representative LeMaster moved that **HB 640,** as amended by the Senate, be passed.

On the roll call the vote was yeas 86-Allen, Arnold, Barrows, Bendl, Bennett, Blevins, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Moberly, Moore, Morris, Nett, Noe, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 1-Brown.

HB 640, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 640,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 758, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 1 to **HB 758** is as follows:

Amend printed copy of **HB 758** as follows:

On page 13, line 12, by inserting after the word "*nonseverable.*" the following:

"SECTION 7. A NEW SECTION OF KRS CHAPTER 251 IS CREATED TO READ AS FOLLOWS:

In the event that amounts in the Kentucky grain insurance fund are insufficient to pay the approved claims, funds to satisfy the unpaid claims shall be made available to the corporation in amounts not to exceed at any one time a maximum of three million dollars ($3,000,000). This Act shall constitute an irrevocable and continuing appropriation for, and direction to, the secretary of the finance and administration cabinet and *the state treasurer to make the necessary transfers and disbursements from the revenues and funds of the state for that purpose. The state shall be reimbursed, with interest at the rate paid on ninety (90) day U.S. treasury bills, for any amounts paid under this section upon replenishment of the fund from assessments made pursuant to Section 5 of this Act.*"; and

On page 13, line 13, by inserting after the first "SECTION" the following: "8" and by deleting the following: "7" and by renumbering the remaining sections accordingly.

Representative Burnette moved that the House concur in the Senate Amendment No. 1 to **HB 758.** Rejected.

HB 992, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment No. 1 to **HB 992** is as follows:

Amend printed copy of **HB 992** as follows:

On page 12, after line 14, by adding the following new section.

"Section 7. KRS 341.370 is amended to read as follows:

(1) A worker shall be disqualified from receiving benefits for the duration of any period of unemployment with respect to which:

(a) He has failed without good cause either to apply for available, suitable work when so directed by the employment office or the secretary or to accept suitable work when offered him, or to return to his customary self-employment when so directed by the secretary; or

(b) He has been discharged for misconduct or dishonesty connected with his most recent work, or from any work which occurred after the first day of the worker's base period and which last preceded his most recent work, but legitimate activity in connection with labor organizations or failure to join a company union shall not be construed as misconduct; or

(c) He has left his most recent suitable work or any other suitable work which occurred after the first day of the worker's base period and which last preceded his most recent work voluntarily without good cause attributable to the employment. *No otherwise eligible worker shall be disqualified from receiving benefits for leaving his next most recent suitable work to return to work with his usual employer or to avoid imminent layoff (of which he has been given notice by his employer) by accepting other work, or for leaving work which was concurrent with his most recent work, or for leaving part-time work which preceded his most recent suitable work to accept such most recent suitable work.*

(2) A worker shall be disqualified from receiving benefits for any week with respect to which he knowingly made a false statement to establish his right to or the amount of his benefits, and, within the succeeding twenty-four (24) months, for such additional weeks immediately following the date of discovery, not to exceed a total of fifty-two (52), as may be determined by the secretary.

(3) No worker shall be disqualified under paragraph (b) or (c) of subsection (1) of this section unless the employer, within a reasonable time as prescribed by regulations promulgated by the secretary, notifies the department for human resources and the worker in writing of the alleged voluntary quitting or the discharge for misconduct; provided, however, that nothing in this subsection shall restrict the right of the secretary for human resources to disqualify a worker whose employer has refused or failed to notify the department for human resources of the alleged voluntary quitting or discharge for misconduct if such alleged voluntary quitting or discharge for misconduct is known to the secretary for human resources prior to the time benefits are paid to such worker; provided, further, that the exercise of such right by the secretary for human resources, in the absence of timely notice from the employer, shall not relieve the employer's reserve account of benefit charges under the provisions of subsection (3) of KRS 341.530.

(4) As used in this section and in subsection (3) of KRS 341.530, "most recent" work shall be construed as that work which occurred after the first day of the worker's base period and which last preceded the week of unemployment with respect to which benefits are claimed; except that, if the work last preceding such week of unemployment was seasonal, intermittent or temporary in nature, most recent work may be construed as that work last preceding such seasonal, intermittent or temporary work.

(5) No worker shall be disqualified or held ineligible under the provisions of this section or KRS 341.350, who is separated from employment pursuant to a labor management contract or agreement, or pursuant to an established employer plan, program or policy, which permits the employer to close the plant or facility for purposes of vacation or maintenance.

(6) "Discharge for misconduct" as used in this section shall include but not be limited to separation initiated by an employer for falsification of an employment application to obtain employment through

subterfuge; knowing violation of a reasonable and uniformly enforced rule of an employer; unsatisfactory attendance if the worker cannot show good cause for absences or tardiness; damaging the employer's property through gross negligence; refusing to obey reasonable instructions; reporting to work under the influence of alcohol or drugs or consuming alcohol or drugs on employer's premises during working hours; conduct endangering safety of self or co-workers; and incarceration in jail following conviction of a misdemeanor or felony by a court of competent jurisdiction, which results in missing at least five (5) days work.

(7) "Duration of any period of unemployment," as that term is used in this section, shall be the period of time beginning with the worker's discharge, voluntary quitting, or failure to apply for or accept suitable work and running until such worker has worked in each of ten (10) weeks, whether or not consecutive, and has earned ten (10) times his weekly benefit rate in employment covered under the provisions of this chapter or a similar law of another state or of the United States."

Representative Bennett moved that the House concur in the Senate Amendment No. 1 to **HB 992.**

On the roll call the vote was yeas 50-Arnold, Barrows, Bendl, Bennett, Blevins, Brinkley, Bruce, Burch, L. Clark, P. Clark, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Foster, Gedling, Gray, Hines, Holbrook, Johnson, T. Jones, Kenton, Kidd, LeMaster, Lile, Little, Lundergan, Mann, McBee, Meyer, Moberly, Morris, Nett, Noe, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, Riner, Seum, F. Smith, Stone, Stumbo, Thomas, Van Horn. Nays 33-Allen, Bronger, Brown, Caldwell, Clarke, Cline, Cowan, Crupper, Ellington, Ford, Freibert, Fryman, Guenthner, Harper, Holloway, R. Jones, Lefevers, Long, McElroy, McNutt, Moore, Noland, O'Brien, Overstreet, Patrick, Petty, Robinson, B. Smith, Thomason, Todd, Turner, White, Yates.

The motion that the House concur in the Senate Amendment No. 1 to **HB 992** was adopted.

Representative Bennett moved that **HB 992,** as amended by the Senate, be passed.

On the roll call the vote was yeas 64-Arnold, Barrows, Bendl, Bennett, Blevins, Bronger, Brown, Bruce, Burch, L. Clark, P. Clark, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Gedling, Gray, Handy, Head, Heleringer, Hines, Holbrook, Johnson, T. Jones, Kenton, Kidd, LeMaster, Lile, Little, Long, Lundergan, Mann, McBee, McElroy, Meyer, Moberly, Morris, Nett, Noland, O'Brien, Overstreet, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, B. Richardson, P. Richardson, Riner, Seum, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Worthington, Yates. Nays 23-Allen, Caldwell, Ellington, Farrow, Ford, Foster, Freibert, Fryman, Guenthner, Hancock, Harper, Holloway, Layman, Lefevers, List, McNutt, Petty, Richards, Robinson, B. Smith, Todd, Turner, White.

HB 992, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 992,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

Representative LeMaster moved that the rules be suspended to allow for a motion. Agreed.

Representative O'Brien moved that the vote by which **SB 294,** by way of Committee Substitute as amended, was defeated be reconsidered. Agreed.

Representative O'Brien moved that **SB 294,** by way of Committee Substitute as amended, be placed in Orders of the Day. Agreed.

SB 294, by way of Committee Substitute as amended, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Clarke moved that **SB 294,** by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 61-Allen, Arnold, Blandford, Brinkley, Bronger, Brown, Caldwell, L. Clark, Clarke, Cline, Cowan, Craddock, Curd, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Foster, Freibert, Guenthner, Hancock, Handy, Harper, Hines, Holbrook, Holloway, R. Jones, Kenton, Layman, Lefevers, LeMaster, List, Little, Long, Lundergan, Mann, McBee, McElroy, Meyer, Moberly, Moore, Morris, Nett, Noe, O'Brien, Patrick, Perkins, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Stone, Stumbo, Thomas, Thomason, Todd, Turner, White, Worthington. Nays 13-Bennett, Crupper, Dawahare, Gray, Heleringer, Lile, McNutt, Noland, Pearman, Priddy, Rattliff, F. Smith, Van Horn.

SB 294, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 294,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Senate Message

Announcing passage of **HB 367** with Senate Committee Substitute and Senate Amendment to the Senate Committee Substitute, **HB 431** with Senate Committee Substitute, **HB 523** with Senate Amendment, **HB 537** with Senate Amendment, **HB 659, HB 826,** and **HJR 72.**

SB 148 returned with the following message: The Senate has refused to concur in the House Amendment to **SB 148** and respectfully returns it with the request that this Honorable Body recede from the Amendment.

Motions, Petitions, and Communications

Representative Blevins moved that Floor Amendments No. 1 and No. 2 to **SB 86** be withdrawn. Agreed.

Representative Little moved that Committee Amendment No. 1 to **SB 288** be withdrawn. Agreed.

Representative Meyer moved that Floor Amendment No. 2 to **SB 380** be withdrawn. Agreed.

Representative Barrows moved that the rules be suspended for introduction of and action upon a Resolution. Agreed.

Introduction of Resolution

HR 151, by Representatives Barrows and LeMaster: A RESOLUTION proclaiming the sixtieth birthday of the Department of Parks.

Representative Barrows moved the adoption of the following **HR 151:**

HR 151, A RESOLUTION proclaiming the sixtieth birthday of the Department of Parks.

WHEREAS, the state parks were created in 1924, not as a revenue generating venture, but as a service to the people of Kentucky; and

WHEREAS, the parks in Kentucky benefit all the citizens of the Commonwealth who can take pride in a nationally acclaimed state park system; and

WHEREAS, the state parks particularly benefit the communities where they are located; and

WHEREAS, May 10, 1984, marks the sixtieth birthday of the State Parks System;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the sixtieth birthday of the Department of Parks be celebrated throughout the Parks System during 1984.

Section 2. That the Clerk of the House of Representatives of the General Assembly of the Commonwealth of Kentucky send a copy of this resolution to the Governor and to the Commissioner of the Department of Parks.

HR 151 was adopted by voice vote.

Representative LeMaster moved that the rules be suspended to act upon a title amendment to **SB 294.** Agreed.

Representative LeMaster moved that the Title Amendment to **SB 294** be adopted. Agreed.

On the roll call the vote was yeas 58-Arnold, Barrows, Bennett, Blandford, Burch, Caldwell, L. Clark, Clarke, Cowan, Craddock, Crupper, Curd, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Ford, Foster, Freibert, Guenthner, Hancock, Harper, Hines, Holbrook, Johnson, R. Jones, Lefevers, LeMaster, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, Meyer, Moberly, Nett, Noe, O'Brien, Patrick, Perkins, Petty, Rapier, Richards, B. Richardson, P. Richardson, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, Worthington. Nays 8-Cline, Cyrus, Gedling, Gray, Heleringer, Lile, Noland, Pearman.

SB 294, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 294**, by way of Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Representative LeMaster moved that the rules be suspended for Introduction of Resolutions and Report of Committees. Agreed.

Introduction of Resolutions

HR 150, by Representative Maggard: A RESOLUTION adjourning the House of Representatives in honor and memory of Marie R. Turner.

HR 152, by Representative Cowan: A RESOLUTION naming Lee Pennington a poet laureate of the Commonwealth of Kentucky.

HCR 153, by Representative Moore: A CONCURRENT RESOLUTION urging the Department of Highways to study and actively seek federal aid to upgrade United States Route 421 from Manchester, Kentucky, to Richmond, Kentucky.

HCR 154, by Representative Moore: A CONCURRENT RESOLUTION directing the Department of Highways to resurface Rader's Creek Road and Granny's Creek Road in Clay County.

HCR 155, by Representative Moore: A CONCURRENT RESOLUTION directing the Department of Highways to extend the initial surfacing project on Kentucky Route 2057 an additional two miles.

HR 156, by Representatives Harper, Caldwell, Meyer, Mann, and Petty: A RESOLUTION urging the Transportation Cabinet to delete highway construction project 00/036.0 in Kenton County from its 1984-85 Construction Program.

Report of Committees

The Committee on Rules reported **SB 19, SB 159, SB 160, SB 161, SB 162, SB 164, SB 165, SB 179, SB 180, SB 205, SB 249, SB 287, SB 379, SB 414, SB 199, SB 288, SB 372, SB 352, SB 316, SB 369, SB 380, SB 252, SB 58, SB 145, SB 267, SB 305, SB 67**, and **HB 592** have been posted for passage in Orders of the Day, March 28, 1984.

The Committee on Rules reported the following have been recommitted:

Business Organizations and Professions: **SB 174.**

Counties and Special Districts: **HB 482, HB 982, SB 309.**

Labor and Industry: **HB 782, SB 351.**

Health and Welfare: **HCR 82.**

Transportation: **SB 263.**

Motions, Petitions, and Communications (continued)

Representative Arnold moved that **SB 361** be placed in Orders of the Day for Wednesday, March 28, 1984. Agreed.

Representative Cowan moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Cowan moved the adoption of the following **HR 152:**

HR 152, A RESOLUTION naming Lee Pennington a poet laureate of the Commonwealth of Kentucky.

WHEREAS, he has published over a thousand poems in over two hundred fifty magazines and anthologies at home and abroad; and

WHEREAS, he has published seven volumes of poetry, the latest of which is an experimental blending of his poetry and his photography; and

WHEREAS, his poems have earned numerous awards, as well as a 1977 nomination for a Pulitzer Prize in poetry; and

WHEREAS, he is a Professor of English at Jefferson County Community College, and has served as a Poetry Instructor at Murray State University, Morehead State University and at several universities in surrounding states; and

WHEREAS, his fellow poet and fellow Greenup County native, his mentor and friend, Jesse Stuart, praised him as "a most talented man";

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That Lee Pennington be named a Poet Laureate of the Commonwealth of Kentucky.

Section 2. That a copy of this resolution be sent by the Clerk of the House to Lee Pennington.

HR 152 was adopted by voice vote.

Representative Richards moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Richards moved the adoption of the following **HR 138:**

HR 138, A RESOLUTION recognizing the merit of the Kentucky Coalition for Literacy and supporting the efforts of the Kentucky Department of Libraries and Archives and the Kentucky Department of Education for their initiation of this coordinating service to the citizens of Kentucky involved in the development and expansion of programs assisting our functionally illiterate population.

WHEREAS, an estimated 400,000 adults in Kentucky are functionally illiterate; and

WHEREAS, an illiterate adult earns 42 percent less than a high school graduate, which greatly effects our economy; and

WHEREAS, we believe that all of Kentucky's citizens deserve the right to read and make informed decisions; and

WHEREAS, we believe that all concerned persons and organizations in Kentucky must collaborate to enable illiterate adults of our Commonwealth to read; and

WHEREAS, the Kentucky Coalition for Literacy endeavors to develop volunteer programs to combat illiteracy through a local coalescing of all community resources;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Kentucky Department of Libraries and Archives and the Kentucky Department of Education be commended for their initiation and accomplishments in developing the Coalition; and the Coalition, as a private, nonprofit corporation, be urged to continue their efforts in expanding and developing programs to serve the illiterate population of Kentucky.

Section 2. That a copy of this resolution be sent to the State Librarian, the Superintendent of Public Instruction, and the Chairperson of the Kentucky Coalition for Literacy.

HR 138 was adopted by voice vote.

Representative Ford moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Ford moved the adoption of the following **HR 147:**

HR 147, A RESOLUTION to urge Congress to appropriate funds for the Big South Fork National Recreation Area.

WHEREAS, the Big South Fork National Recreation Area has been established by Congress; and

WHEREAS, it is rapidly becoming a popular tourist and recreation attraction of benefit to the entire nation; and

WHEREAS, this recreation area has widespread local support;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the U.S. Congress is urged to appropriate funds sufficient to develop the Big South Fork National Recreation Area.

Section 2. That copies of this resolution be sent to all members of the Kentucky Congressional delegation.

HR 147 was adopted by voice vote.

Representative Maggard moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Maggard moved the adoption of the following **HR 150:**

HR 150, A RESOLUTION adjourning the House of Representatives in honor and memory of Marie R. Turner.

In loving memory we pay tribute and homage to our beloved and departed "Miss Marie."

WHEREAS, Marie Turner, fondly known statewide as "Miss Marie," died of cancer on Monday, March 26th, at the age of 84; and

WHEREAS, Miss Marie was the matriarch of the Democratic Party in Breathitt County, as well as throughout eastern Kentucky; and

WHEREAS, Marie Turner was president and chairman of the board of directors of the Citizens Bank of Jackson, which she founded with her late husband; and

WHEREAS, Miss Marie was Superintendent of the Breathitt County School System for 38 years; and

WHEREAS, Miss Marie was instrumental in consolidating the schools in Breathitt County; and

WHEREAS, Marie Turner was relentless in her desire to upgrade the educational process and as a result of her dedicated service to the youth of Breathitt County, the L.B.J. elementary school in Jackson during the late 1960's received the Governor's Award for Innovative Elementary School Excellence; and

WHEREAS, beloved by all, Miss Marie was named outstanding citizen of Breathitt County in 1968; and

WHEREAS, a vital member of the community, Miss Marie belonged to the Jackson Woman's Club and the First Christian Church of Jackson; and

WHEREAS, Marie Turner briefly chaired the State Democratic Party in 1978, and was vice chairman of the State Democratic Party for many years; and

WHEREAS, Marie Turner was vice chairman emeritus for the party at the time of her death; and

WHEREAS, a kind and compassionate leader, Miss Marie's passing has left a void in our hearts which can never be filled;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House does express its complete and utter sense of bereavement and loss upon the passing of Miss Marie Turner and commends Miss Marie's family to the solace of the Almighty.

Section 2. That when this honorable body does adjourn this day, Tuesday, March 27, 1984, it does so in honor and memory of our beloved Marie Turner.

Section 3. That the Clerk of the House is directed to transmit a copy of this resolution to the family members of Marie Turner.

HR 150 was adopted by voice vote.

Representative Cline moved that Floor Amendment No. 2 to **SB 308** be withdrawn. Agreed.

Representative Cline moved that Floor Amendment No. 1 to **SB 336** be withdrawn. Agreed.

Representative Ford moved that he be recorded as voting "nay" on **SB 71**. Agreed.

Representative Ford moved that he be recorded as voting "yea" on **SB 20**. Agreed.

Representative Ford moved that he be recorded as voting "nay" on **SB 83**. Agreed.

Representative Ford moved that he be recorded as voting "yea" on **SB 153**. Agreed.

Representative Ford moved that he be recorded as voting "nay" on **HB 207**. Agreed.

Representative White moved that she be recorded as voting "yea" on **SB 20**. Agreed.

Representative White moved that she be recorded as voting "nay" on **SB 71**. Agreed.

Representative Patrick moved that he be recorded as voting "yea" on **SB 20**. Agreed.

Representative Head moved that he be recorded as voting "yea" on **SB 20**. Agreed.

The following Floor Amendments were filed to Bills and Resolutions:

Floor Amendment No. 1 to **SCR 30,** by Representative Barrows:

Amend printed copy of HCS to **SCR 30** as follows:

On page 3, line 12, after the period (.) by deleting all language through the period (.) on line 22.

On page 3, line 25, by changing "Section 4." to "Section 3."

Floor Amendment No. 1 to **SB 15,** by Representative Burch:

Amend printed copy of **SB 15,** page 11, after line 4, by adding the following:

"SECTION 6. A NEW SECTION OF KRS CHAPTER 387 IS CREATED TO READ AS FOLLOWS:

A partially disabled or disabled person, his limited guardian, guardian, limited conservator or conservator, or any other parties who may be edentulous, shall be permitted to purchase directly from the manufacturer any appliance necessary to restore masticatory function and aesthetic appearance."

Floor Title Amendment to **SB 74,** by Representative Morris:

Amend printed copy of **SB 74,** by amending the title to read as follows: AN ACT relating to revenue and taxation.

Floor Amendment No. 1 to **SB 74,** by Representative Morris:

Amend printed copy of **SB 74,** page 2, after line 11, by adding the following:

Section 3. KRS 138.695 is amended to read as follows:

(1) Every licensee subject to the tax imposed by subsections (1), (2) and (3) of KRS 138.660 shall be entitled to a credit for each quarterly period beginning on and after July 1, 1980, equivalent to the tax rate levied in KRS 138.220 and computed on the average wholesale price as defined in KRS 138.210(10) on

gasoline and special fuels purchased by such licensee during such period for use in its operations, provided such gasoline and special fuels were purchased in Kentucky during the same period and the tax imposed by KRS 138.220, 138.565, and 234.320 has been paid. Evidence of the payment of such tax in such form as may be required by or satisfactory to the department shall be furnished by each such licensee claiming the credit herein allowed.

(2) The department shall at the close of each quarterly period, ending September 30, December 31, March 31, and June 30, compute all credits granted by the department during such quarter, which credits shall be *refunded to the licensee by the department within thirty (30) days after the close of the quarterly period. If such refund is not paid within thirty (30) days of the close of the quarterly period, interest thereon shall accrue to the licensee at the tax interest rate pursuant to KRS 131.183* [~~except as provided in subsection (3), applied only to taxes due on the report filed for the next quarter~~].

(3) [~~If the credit or credits referred to in subsections (1) and (2) would expire solely by reason of the lapse of time allowed in subsection (2), then the balance of any credit shall be refunded to the licensee, provided application therefor and all necessary information shall be filed with the department within sixty (60) days after the time the credit would otherwise expire as provided in subsection (2) except a credit shall not be refunded to the licensee, where, as estimated by the department, the cost to the department of making the refund would exceed the amount of the refund.~~

~~(4)~~] In order to facilitate administration of the credits and refunds allowed herein, the department shall prescribe what records must be kept by the licensee or any other person and the department shall also prescribe the form and content of said records and any reports to be made relative thereto.

Floor Amendment No. 2 to **SB 86,** by Representative Blevins:

Amend printed copy of **SB 86** page 1, following line 18, by adding the following:

"Section 2. KRS 15.420 is amended to read as follows:

As used in KRS 15.410 to 15.510, unless the context otherwise requires:

(1) "Local unit of government" means any city or county, or any combination of cities and counties, of the Commonwealth, *or any public institution of higher education which has established a safety and security department pursuant to KRS 164.950.*

(2) "Police officer" means a full-time member of a lawfully organized police department of county or city government who is responsible for the prevention and detection of crime and the enforcement of the general criminal laws of the state, *or a full-time member of a safety and security department of a public institution of higher education whose powers and duties are prescribed in KRS 164.955,* but does not include Kentucky state police, any elected officer, sheriff, deputy sheriff, constable, deputy constable, district detective, deputy district detective, special local peace officer, auxiliary police officer or any other peace officer not specifically authorized in KRS 15.410 to 15.510.

SECTION 3. A NEW SECTION OF KRS 15.410 TO 15.510 IS CREATED TO READ AS FOLLOWS:

Subject to the availability of sufficient funding, full-time members of a safety and security department of a public institution of higher education whose powers and duties are prescribed in KRS 164.955 may receive benefits provided under the law enforcement foundation program; provided, however, such persons qualify for such benefits as prescribed herein."

Floor Title Amendment to **SB 116,** by Representative B. Smith:

Amend printed copy of **SB 116,** page 1, by amending the TITLE to read as follows: "AN ACT proposing an amendment to the Kentucky Constitution relating to the terms of office of senators and representatives."

Floor Title Amendment No. 2 to **SB 116,** by Representative B. Smith:

Amend printed copy of **SB 116,** page 1, by amending the title to read as follows: "AN ACT proposing an amendment to the Kentucky Constitution relating to elections."

Floor Amendment No. 4 to **SB 116,** by Representative Johnson:

Amend printed copy of **SB 116,** page 1, line 17, after "Section 2." by inserting the following:

"So as to insure the fair presentation of this amendment to the electorate of the Commonwealth as provided in Section 3 of this Act, no corporation or other business entity organized or doing a majority of its business outside the Commonwealth shall, directly or through its employes or agents, expend funds to support the adoption or defeat of this amendment in an amount greater than three thousand dollars ($3,000). Violation of this section shall be punishable by a fine of fifty thousand dollars ($50,000) for each offense. The Attorney General shall prosecute violations of this section.

Section 3."

Floor Amendment No. 5 to **SB 116,** by Representative B. Smith:

Amend printed copy of **SB 116,** page 1, lines 1-16, by deleting same in their entirety and inserting in lieu thereof:

"Section 1. It is proposed that Section 39 of the Kentucky Constitution be amended to read as follows:

Members of the House of Representatives and Senators shall be elected at the general election in even-numbered years for terms of *six* [~~four~~] years for Senators and *four* [~~two~~] years for members of the House of Representatives. The term of office of Representatives and Senators shall begin upon the first day of January of the year succeeding their election.

Section 2. It is proposed that Section 31 of the Kentucky Constitution be amended to read as follows:

At the general election to be held in November, 1984, and *in even-numbered* [~~every two~~] years thereafter, there shall be elected for *six* [~~four~~] years one Senator in each Senatorial District in which the term of his predecessor in office will then expire and in every Representative District one Representative for *four* [~~two~~] years."

And on page 1, line 17, by deleting "2" and inserting in lieu thereof "3."

Floor Amendment No. 6 to **SB 116,** by Representative B. Smith:

Amend printed copy of **SB 116,** page 1, after "1." by inserting the following:

"It is proposed that Section 30 of the Kentucky Constitution be amended to read as follows:

Members of the House of Representatives and Senators shall be elected at the general election in *odd* [~~even~~]-numbered years for terms of *six* [~~four~~] years for Senators and *four* [~~two~~] years for members of the House of Representatives. The term of office of Representatives and Senators shall begin upon the first day of January of the year succeeding their election.

Section 2. It is proposed that Section 31 of the Kentucky Constitution be amended to read as follows:

At the general election to be held in November, *1987* [~~1984~~], and *in odd-numbered* [~~every two~~] years thereafter, there shall be elected for *six* [~~four~~] years one Senator in each Senatorial District in which the term of his predecessor in office will then expire and in every Representative District one Representative for *four* [~~two~~] years.

Section 3. It is proposed that Section 256 of the Kentucky Constitution be amended to read as follows:

Amendments to this Constitution may be proposed in either House of the General Assembly at a regular session, and if such amendment or amendments shall be agreed to by three-fifths of all the members elected to each House, such proposed amendment or amendments, with the yeas and nays of the members of each House taken thereon, shall be entered in full in their respective journals. Then such proposed amendment or amendments shall be submitted to the voters of the State for their ratification or rejection at the next general election *which shall occur in an even-numbered year* [~~for members of the House of Representatives~~], the vote to be taken thereon in such manner as the General Assembly may provide, and to be certified by the officers of election to the Secretary of State in such manner as shall be provided by law, which vote shall be compared and certified by the same board authorized by law to compare the polls and give certificates of election to officers for the State at large. If it shall appear that a majority of the votes cast for and against an amendment at said election was for the amendment, then the same shall become a part of the Constitution of this Commonwealth, and shall be so proclaimed by the Governor, and published in such manner as the General Assembly may direct. Said amendments shall not be submitted at an election which occurs less than ninety days from the final passage of such proposed amendment or amendments. Not more than four amendments shall be voted upon at any one time. If two or more amendments shall be submitted at the same time, they shall be submitted in such manner that the electors shall vote for or against each of such amendments separately, but an amendment may relate to a single subject or to related subject matters and may amend or modify as many articles and as many sections of the Constitution as may be necessary and appropriate in order to accomplish the objectives of the amendment. The approval of the Governor shall not be necessary to any bill, order, resolution or vote of the General Assembly, proposing an amendment or amendments to this Constitution.

Section 4. For the purposes of this amendment, and as a schedule of transitional provisions, Section 161 of the Constitution of Kentucky notwithstanding, the following offices shall be extended for one (1) period of one (1) year as follows:

(1) The terms of office of state senators, as provided by Section 4 of Acts 1978, Chapter 440, who were elected in 1981 and 1983 shall serve until 1987 and 1989, respectively, and until their successors are elected and qualified.

(2) The terms of office of state representatives, as provided by Section 4 of Acts 1978, Chapter 440, who shall be elected in 1984 shall serve until 1987 and until their successors are elected and qualified. The 1986 General Assembly shall provide by law for a method to determine by lot either those state representatives from odd-numbered or from even-numbered legislative districts, to be elected in 1987 for one, two-year term. The other fifty members shall be elected in 1987 for a four-year term.

Section 5."

And by deleting "it is proposed that Section 226 of the" and by deleting lines 2-16 and on line 17 by deleting "Section 2."

Floor Title Amendment No. 2 to **SB 124,** by Representative Stumbo:

Amend printed copy of HCS to **SB 124,** Title, by amending the title to read: "AN ACT relating to public funds."

Floor Amendment No. 2 to **SB 124,** by Representative Stumbo:

Amend printed copy of HCS to **SB 124,** page 12, line 10, by adding:

"Section 5. KRS 311.715 is amended to read as follows:
No public funds shall be used for the purpose of obtaining an abortion or paying for the performance of an abortion. *Public medical facilities may be used for the purpose of conducting research into or the performance of in-vitro fertilization as long as such procedures do not result in the intentional destruction of a human embryo.* [~~No public funds shall be used for the purpose of conducting research into or for the performance of in-vitro fertilization, which is a procedure involving the destruction of live human fetuses.~~] For purposes of this section, "public funds" means any money of the Commonwealth of Kentucky, any department, agency or instrumentality thereof, or any money of any county, city, agency or instrumentality thereof or any money of any other political subdivision of the Commonwealth, agency or instrumentality thereof. Nothing in this section shall be deemed to deprive a woman of all appropriate medical care necessary to prevent her physical death. *Nothing in this section shall be construed to allow public funds to pay for in-vitro fertilization procedures performed on any individual patient.*"

Floor Amendment No. 3 to **SB 124,** by Representative Cowan:

Amend printed copy of HCS to **SB 124,** page 12, line 11, by adding the following language:

"SECTION 5. A NEW SECTION OF KRS 205.510 TO 205.590 IS CREATED TO READ AS FOLLOWS:

(1) Any copayments and similar charges paid by medical assistance recipients, their spouses and parents shall not exceed a total of three dollars ($3) per month for each recipient.

(2) Any copayments and similar charges paid by medical assistance recipients, their spouses and parents shall not exceed a total of eighteen dollars ($18) per year for each recipient."

Floor Amendment No. 1 to **SB 143**, by Representative Pearman:

Amend printed copy of **SB 143**, page 17, after line 9, by inserting the following:

"SECTION 7. A NEW SECTION OF KRS CHAPTER 413 IS CREATED TO READ AS FOLLOWS:

(1) The statute of limitations for purposes of adverse possession shall not run against any owner of real property as long as he pays the taxes on the property before they become delinquent.

(2) If at any time the owner of the property does not pay the taxes on his property before they become delinquent, the statute of limitations for purposes of adverse possession may run, as long as the other elements of adverse possession are present, but shall stop running when the taxes due on the property have been paid by the owner.

(3) The provisions of this section shall not apply to any property acquired by adverse possession prior to July 1, 1984."

And on page 17, line 10, by changing "Section 7." to "Section 8."

Floor Title Amendment to **SB 160**, by Representative Cowan:

Amend printed copy of **SB 160**, page 1, by admending the title to read as follows: "AN ACT relating to state government."

Floor Amendment No. 1 to **SB 160**, by Representative Cowan:

Amend printed copy of **SB 160**, page 7, after line 2, by adding the following new section:

SECTION 3. A NEW SECTION OF KRS CHAPTER 195 IS CREATED TO READ AS FOLLOWS:

(1) In order to provide displaced workers with the opportunities necessary to prepare them for employment in demand occupations and to facilitate rapid adjustments to meet changing economic and labor market needs, there is hereby established the Kentucky economic adjustment team which shall consist of six (6) members. The members are the governor of the Commonwealth or his designated representative, who shall serve as chairperson, the commissioner of manpower services, the commissioner of commerce, the commissioner of labor, the superintendent of public instruction, and the executive director of the council on higher education.

(2) For purposes of this Act, "displaced worker" shall mean a worker who has been terminated or laid off or who has received a notice of termination or layoff from employment as a result of a plant closing, a plant relocation, or a permanent reduction in operations.

(3) The Kentucky economic adjustment team shall be attached to the department of manpower services for administrative purposes.

SECTION 4. A NEW SECTION OF KRS CHAPTER 195 IS CREATED TO READ AS FOLLOWS:

Education and training programs undertaken for displaced workers pursuant to this Act shall build upon existing delivery systems and not unnecessarily duplicate or compete with current vocational courses and existing employment and training programs. To the maximum extent feasible, this program shall be undertaken through coordination and efficient utilization of existing federal and state financial resources.

SECTION 5. A NEW SECTION OF KRS CHAPTER 195 IS CREATED TO READ AS FOLLOWS:

The responsibilities of the Kentucky economic adjustment team shall include, but not be limited to the following:

(1) Alleviating adverse conditions that might cause plant closures and, where these closures have

been unavoidable, assisting local efforts to secure alternative employment and retraining opportunities for displaced workers.

(2) Seeking the participation and advice of individuals representative of local government, business, and labor in fulfilling its responsibilities. The advice of these knowledgeable community leaders shall be drawn upon to assure effective assistance by the state responsive to particular community needs and circumstances.

(3) Assisting, upon the request of local communities, employers, or employe representatives, in marshalling available state and federal resources to aid workers and communities affected by major plant closures and to foster long-term, continuing economic vitality, industrial growth, and job opportunities.

(4) Providing on-site assistance to displaced workers in such areas as job counseling and testing, job search assistance, placement services, unemployment insurance eligibility, and training and education opportunities.

(5) Overseeing the collection of data and preparation of economic analyses and reporting intended to provide better and more detailed assessments of future trends within the industrial, commercial, and agricultural sectors of the economy.

(6) Studying and making recommendations to the legislative research commission regarding changes needed in current federal and state statutes and programs in order to minimize harmful consequences of plant closures and promote rapid reemployment of workers and revitalization of communities.

(7) Cooperating with all other state, federal and local agencies, departments, and commissions as is necessary to carry out its responsibilities.

SECTION 6. A NEW SECTION OF KRS CHAPTER 195 IS CREATED TO READ AS FOLLOWS:

Employment training, assessment, job search assistance, and placement programs and services authorized pursuant to this Act shall include, but not be limited to all of the following:

(1) Services necessary to assist displaced workers in identifying and obtaining reemployment, including placement in jobs to which their pre-existing skills are transferable. These services shall include, but need not be limited to all of the following:

(a) Analysis and assessment of skills required for occupations in high demand in the local or surrounding labor markets and in which there is not a surplus of qualified applicants.

(b) Job search assistance, including the following:

1. Provision of labor market information.

2. Training in skills necessary to identify job openings and perform effective job seeking.

3. Teaching in self-help techniques included in securing and retaining new employment.

4. Identifying methods for determining occupations to which pre-existing skills can be transferred.

(2) Counseling and support services needed by displaced workers subsequent to a period of reduced employment or job loss, including but not limited to all of the following:

(a) Counseling and referral concerning available retraining programs.

(b) Information and referral regarding available financial services, including access to credit, home mortgage assistance, and assistance in securing transportation to employment opportunities in surrounding labor market demand areas.

(c) Referral to supportive services for displaced workers and their families which are necessary to deal with the adverse consequences of employment loss or reduction.

(3) Other activities, including those aimed at job training and job development, which are related to the activities of state and local governments and private industry.

SECTION 7. A NEW SECTION OF KRS CHAPTER 195 IS CREATED TO READ AS FOLLOWS:

Whenever possible, the services authorized by this Act shall be performed by the Kentucky economic adjustment team on site at or near the plant at which the workers, who have received notice of termination or layoff as a result of a plant closing, relocation, or permanent reduction in operations, are currently employed.

Floor Title Amendment to **SB 178**, by Representative Guenthner:

Amend printed copy of **SB 178**, page 1, by amending the title to read as follows: "AN ACT relating to government agencies and their powers."

Floor Amendment No. 3 to **SB 105**, by Representative Mann:

Amend printed copy of **SB 105**, page 2, after line 2, by adding the following language:

"SECTION 3. A NEW SECTION OF KRS CHAPTER 241 IS CREATED TO READ AS FOLLOWS:

Appeals from the orders of a county administrator involving suspension or revocation of a license for violations of county ordinances or regulations shall be taken to the circuit court for the county in which the licensed premises is located by filing with the clerk of the court notice of appeal and a certified copy of the order of the county administrator within ten (10) days after the issuance of such order. The county administrator shall transmit a certified record of the proceedings from which such order was issued to the clerk of the court in which the appeal was filed within thirty (30) days after the issuance of the order which is being appealed. The clerk shall docket the case in the manner of a civil proceeding.

SECTION 4. A NEW SECTION OF KRS CHAPTER 241 IS CREATED TO READ AS FOLLOWS:

Appeals from the orders of a city administrator involving suspension or revocation of a license for violations of city ordinances or regulations shall be taken to the circuit court for the county in which the licensed premises is located by filing with the clerk of the court notice of appeal and a certified copy of the order of the city administrator within ten (10) days after the issuance of such order. The city administrator shall transmit a certified record of the proceedings from which such order was issued to the clerk of the court in which the appeal was filed within thirty (30) days after the issuance of the order which is being appealed. The clerk shall docket the case in the manner of a civil proceeding.

SECTION 5. A NEW SECTION OF KRS CHAPTER 241 IS CREATED TO READ AS FOLLOWS:

Appeals from the orders of an urban-county administrator involving suspension or revocation of a license for violations of urban-county ordinances or regulations shall be taken to the circuit court for the county in which the licensed premises is located by filing with the clerk of the court notice of appeal and a certified copy of the order of the urban-county administrator within ten (10) days after the issuance of such order. The urban-county administrator shall transmit a certified record of the proceedings from which such order was issued to the clerk of the court in which the appeal was filed within thirty (30) days after the issuance of the order which is being appealed. The clerk shall docket the case in the manner of a civil proceeding.

Section 6. KRS 241.110 is amended to read as follows:

(1) The fiscal court of any county in which traffic in alcoholic beverages is not forbidden under KRS chapter 242 may by resolution declare that regulation of the traffic in that county is necessary. The county judge/executive shall thereupon constitute a county alcoholic beverage control administrator for the county. However, the county judge/executive may decline to accept said office, or after accepting same he may resign therefrom, and in either event, notwithstanding the provisions of KRS 241.120 to and including KRS 241.150, he may thereupon appoint a person at least thirty (30) years of age, who at the time of his appointment has been a citizen of the state and a resident of that county for at least two (2) years next preceding the date of

appointment, and who is able to qualify to serve at the pleasure of the county judge/executive as county alcoholic beverage control administrator for such county. Before entering upon his duties as such county alcoholic beverage control administrator appointed by the county judge/executive the appointee shall take the oath prescribed by section 228 of the constitution and execute a bond with a good corporate surety in the penal sum of one thousand dollars ($1,000). The cost of the bond shall be borne by the county. Upon the qualification of such person as county alcoholic beverage control administrator for such county, he shall immediately notify the board.

(2) The functions of such county alcoholic beverage control administrator, appointed by the county judge/executive, shall be the same as set out in KRS 241.140.

(3) The compensation of such county alcoholic beverage control administrator, appointed by the county judge/executive, shall be fixed by the fiscal court in accordance with KRS 64.530. The county judge/executive may also appoint such investigators and clerks as are deemed necessary for the proper conduct of such county alcoholic beverage control administrator's office, their salaries likewise shall be fixed by the fiscal court pursuant to KRS 64.530, and they will serve at the pleasure of the county judge/executive.

(4) No person shall be a county alcoholic beverage control administrator, as herein provided for, an investigator or an employe of the county under the supervision of such county alcoholic beverage control administrator, who would be disqualified to be a member of the board under KRS 241.100.

(5) The said county alcoholic beverage control administrator, appointed by the county judge/executive, and his investigators, shall have full police powers of peace officers, and their jursidiction shall be over the unincorporated areas of such county and within the corporate limits of any city therein not having its own administrator. They may inspect any premises where alcoholic beverages are manufactured, sold, stored or otherwise trafficked in, without first obtaining a search warrant.

(6) Appeals from any order of such county alcoholic beverage control administrator, appointed by the county judge/executive, shall be made pursuant to KRS 241.150 *or Section 1 of this Act.*

Section 7. KRS 241.140 is amended to read as follows:

(1) The functions of each county administrator shall be the same, with respect to local licenses and regulations, as the functions of the board with respect to state licenses and regulations, except that no regulation adopted by a county administrator may be less stringent than statutes relative to alcoholic beverage control or than the regulations of the board. No regulation of a county administrator shall become effective until it has been approved by the board. If any city appoints its own administrator as provided for in KRS 241.170, the county administrator in that county shall have jurisdiction over only that portion of the county which lies outside the corporate limits of that city.

(2) The county administrator shall conduct a formal hearing for each licensee cited for violating a county ordinance or regulation where the penalty for such violation might result in suspension or revocation of a license.

Section 8. KRS 241.150 is amended to read as follows:

Appeals from the orders of a county administrator, *except those involving suspension or revocation of a license for violation of a county ordinance or regulation,* may be taken to the board by filing with the board within ten (10) days a certified copy of the orders of the county administrator. Matters at issue shall be heard by the board as upon an original proceeding. Appeals from orders of the county administrator shall be governed by KRS 243.550 to 243.590.

Section 9. KRS 241.190 is amended to read as follows:

(1) The functions of each city administrator shall be the same with respect to city licenses and regulations, as the functions of the board with respect to state licenses and regulations, except that no regulation adopted by a city administrator may be less stringent than the statutes relating to alcoholic beverage control, or than the regulations of the board. No regulation of a city administrator shall become effective until it has been approved by the board.

(2) The city administrator shall conduct a formal hearing for each licensee cited for violating a city ordinance or regulation where the penalty for such violation might result in suspension or revocation of a license.

Section 10. KRS 241.200 is amended to read as follows:

Appeals from the orders of each city administrator, *except those involving suspension or revocation of a license for violation of a city ordinance or regulation,* may be taken to the board, by filing with the board within ten (10) days a certified copy of the orders of the city administrator. Matters at issue shall be heard by the board as upon an original proceeding. Appeals from orders of the city administrator shall be governed by KRS 243.550 to 243.590.

Section 11. KRS 241.250 is amended to read as follows:

(1) The functions of each urban-county administrator shall be the same with respect to urban-county licenses and regulations, as the functions of the board with respect to state licenses and regulations, except that no regulation adopted by an urban-county administrator may be less stringent than the statutes relating to alcoholic beverage control, or than the regulations of the board. No regulation of an urban-county administrator shal become effective until it has been approved by the board.

(2) The urban-county administrator shall conduct a formal hearing for each licensee cited for violating an urban-county ordinance or regulation where the penalty for such violation might result in suspension or revocation of a license.

Section 12. KRS 241.260 is amended to read as follows:

Appeals from the orders of each urban-county administrator, *except those involving suspension or revocation of a license for violation of an urban-county ordinance or regulation,* may be taken to the board by filing with the board within ten (10) days a certified copy of the orders of the urban-county administrator. Matters at issue shall be heard by the board as upon an original proceeding. Appeals from orders of the urban-county administrator shall be governed by KRS 243.550 to 243.590.

Section 13. KRS 243.550 is amended to read as follows:

Hearings upon appeals from orders of a county administrator, [~~or~~] a city administrator *or an urban-county administrator, except as provided by Section 1, Section 2 or Section 3 of this Act,* a determination of a state administrator, or upon proceedings for revocation or suspension shall be held by the board. The board may, at its discretion, hold the hearing in Frankfort, or in the county where the licensed premises, or the premises to be licensed, are located. The board shall control the introduction of evidence and shall hear all arguments of the parties or their counsel as it or he deems necessary or appropriate. The procedure on such hearings shall be summary and in accordance with the regulations of the board. A record of the orders appealed from or the charges filed, of the evidence heard and of all steps taken, shall be kept by the board. Decisions shall be made and orders entered only upon the vote of a majority of the board."

Floor Amendment No. 2 to **SB 178**, by Representative Guenthner:

Amend printed copy of **SB 178**, page 15, line 5, by adding after line 5 the following:

"SECTION 14. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

As used in this Act, unless the context otherwise requires:

(1) "Qualified investment" means new stock or a new partnership interest in a qualified entity, which stock or interest is purchased solely for cash by the taxpayer.

(2) "New stock" means a share or shares of stock of a corporation if the stock, when purchased by the taxpayer, is authorized but unissued.

(3) "New partnership interest" means either a general or a limited partnership interest in a limited partnership if the interest is acquired by the taxpayer from the limited partnership.

(4) "Qualified entity" means the local development corporation, and any other corporation or limited partnership in which the local development corporation purchases new stock or a new interest pursuant to Section 6 of this Act.

(5) "Local development corporation" means the corporation organized pursuant to Sections 6 and 7 of this Act.

(6) "State tax liability" means a taxpayer's total tax liability that is incurred under:

(a) KRS 141.020, individual income tax;

(b) KRS 141.040, corporate income tax;

(c) KRS 136.270(1), state bank shares tax;

(d) KRS 132.020(2), state tax on intangible personal property;

(e) KRS 136.310, savings and loan association tax; and

(f) KRS 136.330, insurance premiums tax;

as computed after the application of the credits, except the credits provided by this Act, that the taxpayer uses to reduce that liability.

(7) "Taxpayer" means any person, corporation, partnership, or other entity that has any state tax liability.

(8) "County judge/executive" means the county judge/executive or the chief executive officer of an urban-county government.

SECTION 15. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

Subject to Section 5 of this Act, a taxpayer is entitled to a credit against any state tax liability which may be imposed on the taxpayer for a particular taxable year that begins after December 31, 1984, if the taxpayer purchases a qualified investment in a qualified entity. However, a taxpayer may only receive a credit for qualified investments purchased within three (3) years of the creation of the local development corporation.

SECTION 16. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

Subject to Section 5 of this Act, the amount of the credit that a taxpayer may receive under this Act for a particular taxable year is equal to the lesser of the taxpayer's state tax liability for that taxable year, or the amount determined in step three of the following steps:

Step one: Add the consideration paid for all qualified investments the taxpayer purchased during that taxable year;

Step two: Multiply the amount determined in step one by three-tenths (.3): and

Step three: Add the product determined in step two to the credit carryover, if any, to which the taxpayer is entitled for that taxable year under Section 6 of this Act.

SECTION 17. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

If the amount determined under steps one through three of Section 3 of this Act for a particular taxpayer and a particular taxable year exceeds the taxpayer's state tax liability for that taxable year, then the taxpayer may carry the excess over to the immediately succeeding taxable years. However, the credit carryover may not be used for any taxable year that begins more than six (6) years following the year in which the qualified investment was made. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this Act for any subsequent taxable year. A credit based on a qualified investment purchased during 1984 shall be a credit carryover to taxable years that begin after 1984.

SECTION 18. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The total amount of credits allowed under this Act may not exceed in the aggregate two million dollars ($2,000,000) for each local development corporation for all taxpayers making qualified investments in such corporation and all taxable years. The aggregate amount of consideration paid by all taxpayers for qualified investments in a particular qualified entity, other than the local development corporation, which may be used by all those taxpayers as a basis for credits under this Act, may not exceed an amount equal to five (5) times the amount of consideration paid by the local development corporation for new stock or a new partnership interest in the qualified entity. The local development corporation shall administer the provisions of this *section and shall issue the forms required by Section 14 of this Act only to the extent consistent with the limits in this section. If aggregate consideration paid for qualified investments which would otherwise qualify for the credit provided by this Act exceeds the limits imposed by this section, the credit shall be allowed to taxpayers in the order of the time of the purchase of the qualified investments.*

SECTION 19. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) To carry out the purposes of this Act, the local development corporation shall be formed under KRS Chapter 271A. The articles of incorporation of the local development corporation shall comply with the provisions set forth in subsections (2) through (6) of this section.

(2) The purpose of the local development corporation shall be solely to raise funds which shall be used to make investments in qualified entities described in subsection (4) of this section; to provide financing to Kentucky business firms; and to make investments in qualified entites described in subsection (5) of this section in a manner that will encourage capital investment in the Commonwealth of Kentucky, encourage the establishment or expansion of business and industry in the state, provide additional jobs within the state, and encourage research and development activities.

(3) The directors need not be shareholders in the local development corporation, and there shall be not less than three (3) nore more than seven (7) directors, three (3) of whom shall be persons who have been nominated to be directors by the county judge/executive.

(4) The local development corporation may purchase new stock in a corporation organized under KRS Chapter 271A or may purchase a new partnership interest in a limited partnership that has its principal office located in Kentucky if the corporation or partnership:

(a) Has received a license or a statement of intent to license as a small business investment company from the small business administration of the United States under the small business investment act of 1958, as amended; and

(b) Is organized and operated solely for the purpose of performing the functions and conducting the activities contemplated by the small business investment act of 1958, as amended.

(5) The local development corporation may purchase new stock in a corporation organized under KRS Chapter 271A or may purchase a new partnership in a limited partnership that has its principal office located in Kentucky, and provide financing to entities doing business primarily in Kentucky, including but not limited to minority businesses, corporations and partnerships, to be used solely for the purpose of enhancing the production capacity of the entity or the ability of the entity to do business in Kentucky. The financing may include any or a combination of equity investments, loans, guarantees, and commitments for financing, and the amount of financing is unlimited.

(6) No business shall be transacted or indebtedness incurred, except such as shall be incidental to the local development corporation's organization or to obtaining subscriptions to or payment for its shares, until the sum of legally enforceable subscriptions and consideration for shares equals at least five hundred thousand dollars ($500,000). Amounts paid in shall be the initial stated capital of the local development corporation.

SECTION 20. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) The county judge/executive may petition the secretary of the commerce cabinet for the creation of a local development corporation on his own initiative or on suggestion of the secretary of the commerce cabinet or any other interested party. The petition shall be accompanied by a draft copy of the articles of incorporation of the proposed corporation and other information that the secretary of the commerce cabinet deems appropriate. The secretary of the commerce cabinet shall consult with the secretary of the revenue cabinet and shall, within ninety (90) days of the receipt of the application, render a decision approving or disapproving the creation of the local development corporation.

(2) Following the approval of the secretary of the commerce cabinet, the county judge/executive may cause the local development corporation to be formed, and he shall designate the incorporators and the first board of directors, no more than a simple majority of which may be members of the same political party. The

county judge/executive may expend such funds as he deems appropriate for the purpose of organizing the local development corporation and marketing the securities thereof.

SECTION 21. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The local development corporation is exempt from any and all state tax levies including, but not limited to, the corporate income tax (KRS 141.040) and intangibles tax (KRS 132.020(2)). However, the local development corporation is not exempt from employment taxes or any taxes imposed by a county or by a municipal corporation.

SECTION 22. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) Except as provided in subsection (2) of this section, income that is taxable to a taxpayer who purchased a qualified investment by reason of ownership of the qualified investment is exempt from income tax under KRS 141.020 or 141.040.

(2) The exemption provided under subsection (1) of this section shall not apply to any income realized by reason of the sale or other disposition of the qualified investment.

SECTION 23. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

Any taxpayer is exempt from any tax to the extent that the tax is based on or measured by the qualified investment, including, but not limited to, any tax which might otherwise be imposed with respect to the qualified investment under the intangibles tax (KRS 132.020(2)), the bank tax (KRS 136.270(1)), and the savings and loan association tax (KRS 136.310).

SECTION 24. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

If a qualified investment which is the basis for a credit under this Act is redeemed by the qualified entity within five (5) years of the date it is purchased, the credit provided by this Act for the qualified investment shall be disallowed, and any credit previously claimed and allowed with respect to the qualified investment so redeemed shall be paid to the revenue cabinet with the appropriate return of the taxpayer covering the period in which the redemption occurred. When payments are made to the cabinet under this section, the amount collected shall be handled in exactly the same manner as if no credit had been allowed.

SECTION 25. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) A credit to which a taxpayer is entitled under this Act shall be applied against taxes owed by the taxpayer in the following order:

(a) First, against the taxpayer's income tax liability under KRS 141.020 or 141.040 for the taxable year;

(b) Second, against the taxpayer's intangibles tax liability under KRS 132.020(2) for the taxable year;

(c) Third, against the taxpayer's bank tax liability under KRS 136.270(1) or savings and loan association tax liability under KRS 136.310 for the taxable year;

(d) Fourth, against the taxpayer's insurance premiums tax liability under KRS 136.330 for the taxable year.

(2) Whenever the tax paid by the taxpayer under any of the tax provisions listed in subsection (1) of this section is a credit against the liability or a deduction in determining the tax base under another Kentucky tax provision, the credit or deduction shall be computed without regard to the credit to which a taxpayer is entitled under this Act.

SECTION 26. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS

FOLLOWS:

To receive the credit provided by this Act, a taxpayer must:

(1) Claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the revenue cabinet; and

(2) File with the revenue cabinet and with the taxpayer's annual state tax return or returns a copy of the form issued by the local development corporation as to the qualified investment by the taxpayer, which shall include an undertaking by the taxpayer to report to the revenue cabinet any redemption of the qualified investment, if the redemption is covered by Section 11 of this Act.

SECTION 27. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The local development corporation shall complete forms prescribed by the revenue cabinet which shall show as to each qualified investment in any qualified entity the following:

(1) The name, address, and employer identification number of the qualified entity;

(2) The name, address, and identification number of the taxpayer who purchased the qualified investment; and

(3) The extent of the qualified investment purchased by the taxpayer and the amount paid therefor.

The forms required to be filed with the revenue cabinet shall be filed by the local development corporation on or before the fifteenth day of the second month following the month in which the qualified investment is purchased. Copies of the forms shall be mailed to the taxpayer and, where the qualified entity is not the local development corporation, the qualified entity on or before that same date.

SECTION 28. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The tax exemptions contained in Sections 8, 9 and 10 of this Act may be repealed or modified by the general assembly of the Commonwealth of Kentucky.

SECTION 29. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

As used in Sections 16 to 20 of this Act, unless the context otherwise requires:

(1) "Authority" means the legislative body of any county or urban-county government that creates, establishes, and designates an innovative development area within its respective jurisdiction, pursuant to Sections 16 to 18 of this Act.

(2) "Innovative development area" means an area within any county or urban-county government declared by an authority to be eligible for the benefits of Sections 19 and 20 of this Act.

(3) "Qualified business" means any person, corporation or other entity that during the time of designation of an innovative development area is engaged in the active conduct of a trade or business within the area, and that is a qualified entity within the context of Sections 1 to 15 of this Act, or a Kentucky business in which financing has been provided by a local development corporation under the provisions of Section 6 of this Act.

(4) "Qualified property" means:

(a) Any tangible personal property located in an innovative development area used predominantly by a qualified business in the active conduct of a trade or business; and

(b) Any real property located in an innovative development area which:

1. Is used predominantly by a qualified business in the active conduct of a trade of business; or

2. Any interest in a corporation, partnership or other entity if, for the most recent taxable year of such entity ending before the date of sale or exchange, such entity was a qualified business.

SECTION 30. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The legislative body of any county or urban-county government may by ordinance create, establish and designate innovative development areas within its jurisdiction pursuant to Sections 16 to 18 of this Act.

SECTION 31. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) Any area within a county or urban-county government may be designated an innovative development area by act of the legislative body of such county or urban-county government, provided that:

(a) Such area shall have a continuous boundary;

(b) Not more than two (2) areas may be designated within the jurisdiction of any county or urban-county government within any calendar year; and

(c) Any designation of an area shall remain in effect for a period of five (5) years.

(2) In deciding which areas within its jurisdiction should be designated innovative development areas, the authority shall give preference to areas containing high levels of unemployment or underemployment and evidence of general economic distress.

(3) Before designating an area as an innovative development area, the legislative body shall consider the benefits to accrue to the community as a result of such designation, including a determination whether the anticipated long-term increases in tax revenues and employment are greater than any short-term loss to the community from any waiver or decrease in any tax or regulation permitted herein.

SECTION 32. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) In order to carry out the purposes and intent of Sections 16 to 18 of this Act, the legislative body of any county or urban-county government that has designated an innovative development area pursuant to Sections 16 to 18 of this Act, may, by regulation, exempt for a period not to exceed five (5) years within such area, any innovative development area from the provisions of any regulation, in whole or in part, which has been promulgated by such legislative body.

(2) Innovative development areas shall not be exempted from the provisions of any regulation, including, but not limited to, provisions of building codes, if such exemption endangers the health and safety of the citizens of the Commonwealth.

(3) The authority shall conduct a review of local regulations and shall recommend exemption of regulations which would contribute to the implementation of this Act.

SECTION 33. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) The provisions of KRS Chapters 67, 68, 91, 92 and 137 notwithstanding, for a period not to exceed five (5) years, any county or urban-county government that has designated an innovative development area pursuant to Sections 16 to 18 of this Act, may levy an annual license tax of ten dollars ($10) upon any qualified business within an innovative development area, in lieu of all other license taxes that may be imposed on such qualified business by such county or urban-county government.

(2) The provisions of KRS Chapter 132 notwithstanding, for a period not to exceed five (5) years, any county or urban-county government that has designated an innovative development area pursuant to Sections 16 to 18 of this Act, may levy for the purposes of revenues received by such county or urban-county government, an ad valorem tax rate on qualified property within an innovative development area of one-tenth of one cent ($.001) upon each one hundred dollars ($100) of assessed valuation, in lieu of any other ad

valorem taxes levied by such county or urban-county government on such qualified property."

Floor Title Amendment to **SB 199**, by Representative Donnermeyer:

Amend printed copy of **SB 199**, by changing the title to read as follows: "AN ACT relating to children."

Floor Amendment No. 1 to **SB 199**, by Representative Donnermeyer:

Amend printed copy of **SB 199**, page 13, by inserting after line 20, the following:

"SECTION 7. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

As used in Sections 8 and 9 of this Act:

(1) "Abortion" means the use of any instrument, drug, or technique to terminate the pregnancy of a woman known to be pregnant with intent to cause fetal death;

(2) "Fetus" means any living individual organism of the species Homo sapiens from fertilization until live birth; and

(3) "Viability" means that stage of fetal development when, in the medical judgment of the attending physician based on the particular facts of the case before him, there is a reasonable likelihood of more than sustained survival of the fetus outside of the womb, with or without artificial support.

SECTION 8. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

(1) No person shall experiment upon a fetus unless such experimentation is therapeutic to that fetus.

(2) If the application of Sections 7 to 9 of this Act to the period of pregnancy prior to viability is held invalid, then such invalidty shall not affect its application to the period of pregnancy subsequent to viability.

SECTION 9. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Any person who intentionally or recklessly violates the provisions of Section 8(1) of this Act shall be guilty of a Class A misdemeanor.

SECTION 10. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

The provisions of Sections 7 to 9 of this Act shall not apply to the procedure of amniocentesis.

Section 11. KRS 311.723 is amended to read as follows:
(1) No abortion shall be performed except by a physician after either:
(a) He determines that, in his best clinical judgment, the abortion is necessary; or
(b) He receives what he reasonably believes to be a written statement signed by another physician, hereinafter called the "referring physician," certifying that in the referring physician's best clinical judgment the abortion is necessary, and, in addition, he receives a copy of the report form required by KRS 213.055.
(2) No abortion shall be performed except in compliance with regulations which the *cabinet* [~~department~~] shall issue to assure that:
(a) Before the abortion is performed, the pregnant woman shall have a private medical consultation either with the physician who is to perform the abortion or with the referring physician in a place, at a time and of a duration reasonably sufficient to enable the physician to determine whether, based upon his best clinical judgment, the abortion is necessary;
(b) The physician who is to perform the abortion or the referring physician will describe the basis for his best clinical judgment that the abortion is necessary on a form prescribed by the *cabinet* [~~department~~] as required by KRS 213.055; and
(c) Paragraph (a) of this subsection shall not apply when, in the medical judgment of the attending physician based on the particular facts of the case before him, there exists a medical emergency. In such a

case, the physician shall describe the basis of his medical judgment that an emergency exists on a form prescribed by the *cabinet* [~~department~~] as required by KRS 213.055.

(3) *No abortion of a viable unborn child shall be performed unless necessary to preserve the life or health of the woman. Before a physician may perform an abortion upon a pregnant woman after her unborn child has become viable, the physician shall first certify on a form prescribed by the cabinet as required by KRS 213.055 that the abortion is necessary to preserve the life or health of the woman and the medical indications for such abortion and the probable health consequences.*

(4) Notwithstanding any statute to the contrary, nothing in this chapter shall be construed as prohibiting a physician from prescribing or a woman from using birth control methods or devices, including, but not limited to, intrauterine devices, oral contraceptives, or any other birth control method or device.

Section 12. KRS 311.780 is amended to read as follows:

(1) No abortion shall be performed or prescribed knowingly after the unborn child may reasonably be expected to have reached viability, except when necessary to preserve the life or health of the woman. In those instances where an abortion is performed under this section, the person performing the abortion shall take all reasonable steps in keeping with reasonable medical practices to preserve the life and health of the child, including but not limited to KRS 311.760(2).

(2) Any physician who performs an abortion upon a woman carrying a viable unborn child shall utilize the available method or technique of abortion most likely to preserve the life and health of the unborn child. In cases where this would present a greater risk to the life and health of the woman than another available method or technique, the physician may utilize the other method or technique. In all cases where the physician performs an abortion upon a viable unborn child, the physician shall certify on a form prescribed by the cabinet as required by KRS 213.055 the available method or techniques considered and the reasons for choosing the method or technique employed.

(3) An abortion of a viable unborn child shall be performed or induced only when there is in attendance a physician other than the physician performing or inducing the abortion who shall take control of and provide immediate medical care for a child born as a result of the abortion. During the performance of the abortion, the physician performing it, and subsequent to the abortion, the attending physician shall take all reasonable steps in keeping with good medical practice, consistent with the procedure used, to preserve the life and health of the viable unborn child; provided that it does not pose an increased risk to the life or health of the woman.

(4) Subsection (3) shall not apply when, in the medical judgment of the performing physician based on the particular facts of the case before him, there exists a medical emergency. In such a case, the physician shall describe the basis of his medical judgment that an emergency exists on a form prescribed by the cabinet as required by KRS 213.055."

Floor Title Amendment to **SB 221**, by Representative Van Horn:

Amend printed copy of **SB 221** by amending the title to read as follows: "AN ACT relating to financial institutions."

Floor Amendment No. 1 to **SB 221**, by Representative Van Horn:

Amend printed copy of **SB 221**, page 6, after line 3 by adding:

"SECTION 5. A NEW SECTION OF KRS CHAPTER 287 IS CREATED TO READ AS FOLLOWS:

A bank shall clear checks deposited with it within five (5) business days of the date of deposit.

SECTION 6. A NEW SECTION OF KRS CHAPTER 289 IS CREATED TO READ AS FOLLOWS:

A savings and loan association shall clear checks deposited with it within five (5) business days of the date of deposit."

Floor Title Amendment No. 2 to **SB 221**, by Representative Little:

Amend printed copy of **SB 221**, by amending the title to read as follows: "AN ACT relating to banks."

Floor Amendment No. 2 to **SB 221**, by Representative Little:

Amend printed copy of **SB 221**, page 6, after line 3, by adding the following:

"SECTION 4. A NEW SECTION OF KRS CHAPTER 287 IS CREATED TO READ AS FOLLOWS:

(1) No bank shall collect a fee or charge from any of its customers for failure to maintain a minimum balance in a checking account.

(2) No bank shall collect a fee or charge for cashing a check issued by the treasurer of the United States."

Floor Title Amendment to **SB 238**, by Representative Stumbo:

Amend printed copy of **SB 238** by amending the title to read: "AN ACT relating to public funds."

Floor Amendment No. 1 to **SB 238**, by Representative Stumbo:

Amend printed copy of **SB 238**, page 18, line 3, by adding the following:

"Section 13. KRS 311.715 is amended to read as follows:

No public funds shall be used for the purpose of obtaining an abortion or paying for the performance of an abortion. *Public medical facilities may be used for the purpose of conducting research into or the performance of in-vitro fertilization as long as such procedures do not result in the intentional destruction of a human embryo.* [~~No public funds shall be used for the purpose of conducting research into or for the performance of in-vitro fertilization, which is a procedure involving the destruction of live human fetuses.~~] For purposes of this section, "public funds" means any money of the Commonwealth of Kentucky, any department, agency or instrumentality thereof, or any money of any county, city, agency or instrumentality thereof or any money of any other political subdivision of the Commonwealth, agency or instrumentality thereof. Nothing in this section shall be deemed to deprive a woman of all appropriate medical care necessary to prevent her physical death. *Nothing in this section shall be construed to allow public funds to pay for in-vitro fertilization procedures performed on any individual patient.*"

Floor Amendment No. 2 to **SB 238**, by Representative Hancock:

Amend printed copy of **SB 238**, page 12, lines 16 and 17, by deleting the underlined language in its entirety; and

On page 16, line 11, before the word "service" by placing brackets around and striking through the word "unclassified"; and

On page 16, line 11, after the first "the" by inserting the word "*classified*"

Floor Amendment No. 3 to **SB 238**, by Representative T. Jones:

Amend printed copy of **SB 238**, page 18, after line 3 by adding the following:

"Section 13. KRS 21A.010 is amended to read as follows:

The Commonwealth is divided into seven (7) Supreme Court districts composed as follows:

(1) First District: Allen, Ballard, Butler, Caldwell, Calloway, Carlisle, Christian, Crittenden, Fulton, Graves, Hickman, Hopkins, Livingston, Logan, Lyon, Marshall, McCracken, McLean, Muhlenberg, Simpson, Todd, Trigg and Webster Counties.

(2) Second District: Barren, Breckinridge, Bullitt, Daviess, Edmonson, Grayson, Hancock, Hardin, Hart, Henderson, Meade, Ohio, Union and Warren Counties.

(3) Third District: Adair, [~~Anderson,~~] Bell, Casey, Clay, Clinton, Cumberland, *Estill, Garrard,* Green, Jackson, Knox, Larue, Laurel, *Lee,* Leslie, Lincoln, Marion, McCreary, Metcalfe, Monroe, Nelson, Owsley, Pulaski, Rockcastle, Russell, [~~Spencer,~~] Taylor, [~~Washington,~~] Wayne and Whitley Counties.

(4) Fourth District: Jefferson County.

(5) Fifth District: *Anderson,* Bourbon, Boyle, Clark, [~~Estill,~~] Fayette, Franklin, [~~Garrard,~~] Jessamine, [~~Lee,~~] Madison, Mercer, [~~Powell,~~] Scott, *Spencer, Washington* and Woodford Counties.

(6) Sixth District: Bath, Boone, Bracken, Campbell, Carroll, Fleming, Gallatin, Grant, Harrison, Henry, Kenton, Lewis, Mason, Nicholas, Oldham, Owen, Pendleton, Robertson, Shelby and Trimble

Counties.

(7) Seventh District: Boyd, Breathitt, Carter, Elliott, Floyd, Greenup, Harlan, Johnson, Knott, Lawrence, Letcher, Magoffin, Martin, Menifee, Montgomery, Morgan, Perry, Pike, *Powell,* Rowan and Wolfe Counties."

Floor Amendment No. 1 to **SB 247,** by Representative Cowan:

Amend printed copy of **SB 247,** page 3, after line 17, by adding the following:

Section 2. KRS 188.040 is amended to read as follows:

The sheriff serving the summons upon the secretary of state shall pay to him, at the time of service, a fee of *four dollars ($4)* [~~two dollars ($2.00)~~], which shall be taxed as costs in the action. The secretary shall keep a record of each summons, including the day and hour of service upon him.

Section 3. KRS 271A.050 is amended to read as follows:

(1) Any corporation organized and existing under the laws of any state or territory of the United States may register its corporate name under this chapter, provided its corporate name is not the same as, or deceptively similar to, the name of any domestic corporation existing under the laws of this state, or the name of any foreign corporation authorized to transact business in this state, or any corporate name reserved or registered under this chapter.

(2) Such registration shall be made by:

(a) Filing with the Secretary of State:

1. An application for registration executed by the corporation by an officer thereof, setting forth the name of the corporation, the state or territory under the laws of which it is incorporated, the date of its incorporation, a statement that it is carrying on or doing business, and brief statement of the business in which it is engaged, and

2. A certificate setting forth that such corporation is in good standing under the laws of the state or territory wherein it is organized, executed by the Secretary of State of such state or territory or by such other official as may have custody of the records pertaining to corporations; and

(b) Paying to the Secretary of State a registration fee in the amount of *two dollars ($2)* [~~one dollar~~] for each month, or fraction thereof, between the date of filing such application and December 31st of the calendar year in which such application is filed.

(3) Such registration shall be effective until the close of the calendar year in which the application for registration is filed.

Section 4. KRS 271A.055 is amended to read as follows:

A corporation which has in effect a registration of its corporate name may renew such registration from year to year by annually filing an application for renewal setting forth the facts required to be set forth in an original application for registration and a certificate of good standing as required for the original registration and by paying a fee of *twenty dollars ($20)* [~~twelve dollars~~]. A renewal application may be filed between the first day of October and the thirty-first day of December in each year, and shall extend the registration for the following calendar year.

Section 5. KRS 271A.615 is amended to read as follows:

(1) Each domestic corporation, and each foreign corporation authorized to transact business in this state, shall file, within the time prescribed by this chapter, an annual report setting forth:

(a)[~~(1)~~] The name of the corporation and the state or country under the laws of which it is incorporated; and

(b)[~~(2)~~] The address of the registered office of the corporation in this state, and the name of its registered agent in this state at such address, and, in case of a foreign corporation, the address of its principal office in the state or country under the laws of which it is incorporated.

(2)[~~(3)~~] Whenever a three -year period has elapsed or shall elapse during which period a domestic or foreign corporation has not filed with the secretary of state either a statement verifying the correctness of the location and post office address of its registered office and the name of its agent for the service of process or the annual report required by this chapter, the secretary of state shall mail to the corporation at its registered office a notice that if the required statements and/or reports are not filed within six months after the mailing of the notice, the certificate of incorporation will be revoked, if a domestic corporation, or withdrawn, if a foreign corporation. If the required statements and/or reports are not received within six (6) months from the date on which the notice was mailed, the secretary of state shall revoke or withdraw the certificate of incorporation as provided above and mail notice thereof to the corporation at its registered office.

(3)[~~(4)~~] The secretary of state may reinstate the certificate of incorporation of any domestic corporation revoked as provided in subsection *(2)* [~~(3)~~] of this section, provided that such revoked corporation shall have:

(a) Furnished such information to the satisfaction of the secretary of state that the failure of the corporation to file annual reports for three (3) consecutive years was not intentional, and that the corporation is, and has continually been, engaged in the ordinary course of its business;

(b) Paid to the secretary of state a penalty of one hundred *twenty-five* dollars *($125)* [~~($100)~~];

(c) Filed with the secretary of state a certificate from the commissioner of revenue that the corporation has paid or furnished satisfactory security for the payment of all income and license taxes, and the interest and penalties thereon that the corporation owes to the state; and

(d) Filed all reports this chapter would have required between the date of incorporation and the date of reinstatement, which were not previously filed, and paid the fees thereon.

Section 6. KRS 271A.630 is amended to read as follows:

In respect of the following documents, the fees to be collected by the secretary of state for filing and issuing, when required by this chapter, and by the county clerk for recording, when required by this chapter, shall be:

(1) Articles of incorporation and a certificate of incorporation, by the secretary of state, *twenty dollars ($20)* [~~fifteen dollars ($15)~~];

(2) Articles of amendment and a certificate of amendment, by the secretary of state, *twenty dollars ($20)* [~~fifteen dollars ($15)~~];

(3) Restated articles of incorporation and a restated certificate of incorporation, by the secretary of state, *twenty dollars ($20)* [~~fifteen dollars ($15)~~];

(4) Articles of merger or consolidation and a certificate of merger or consolidation, by the secretary of state, *twenty dollars ($20)* [~~fifteen dollars ($15)~~];

(5) An application to reserve a corporate name, by the secretary of state, ten dollars ($10);

(6) A notice of transfer of a reserved corporate name, by the secretary of state, ten dollars ($10);

(7) A statement of change of address of registered office or change of registered agent, or both, by the secretary of state, ten dollars ($10);

(8) A statement of the establishment of a series of shares, by the secretary of state, ten dollars ($10);

(9) A statement of cancellation of shares, by the secretary of state, ten dollars ($10);

(10) A statement of reduction of stated capital, by the secretary of state, ten dollars ($10);

(11) A statement of intent to dissolve, by the secretary of state, ten dollars ($10);

(12) A statement of revocation of voluntary dissolution proceedings, by the secretary of state, ten dollars ($10);

(13) Articles of dissolution and certificate of dissolution, by the secretary of state, fifteen dollars ($15);

(14) An application of a foreign corporation for a certificate of authority to transact business in this state and a certificate of authority, by the secretary of state, *fifty dollars ($50)* [~~thirty-five dollars ($35)~~];

(15) An application of a foreign corporation for an amended certificate of authority to transact business in this state and an amended certificate of authority, by the secretary of state, *fifteen dollars ($15)* [~~ten dollars ($10)~~];

(16) A copy of an amendment to the articles of incorporation of a foreign corporation holding a certificate of authority to transact business in this state, by the secretary of state, *fifteen dollars ($15)* [~~ten dollars ($10)~~];

(17) A copy of articles of merger of a foreign corporation holding a certificate of authority to transact business in this state, by the secretary of state, *fifteen dollars ($15)* [~~ten dollars ($10)~~];

(18) An application for withdrawal of a foreign corporation and a certificate of withdrawal, by the secretary of state, *fifteen dollars ($15)* [~~ten dollars ($10)~~];

(19) An annual report, by the secretary of state, *seven dollars and fifty cents ($7.50)* [~~five dollars ($5)~~]; and

(20) Any other statement or report, of a foreign or domestic corporation, by the secretary of state, *fifteen dollars ($15)* [~~ten dollars ($10)~~].

(21) The county clerk shall receive a fee pursuant to KRS 64.012 for recording and issuing reports, articles, and statements pertaining to corporations.

Section 7. KRS 271A.635 is amended to read as follows:

The Secretary of State shall charge and collect:

(1) For furnishing a certified copy of any document, instrument, or paper relating to a corporation, fifty cents per page and *one dollar and fifty cents ($1.50)* [~~one dollar~~] for the certificate and affixing the seal thereto.

(2) At the time of any service of process on him as resident agent of a corporation, *six dollars ($6)* [~~four dollars~~], which amount may be recovered as taxable costs by the party to the suit or action causing such service to be made if such party prevails in the suit or action.

Section 8. KRS 273.368 is amended to read as follows:

(1) In respect of the following documents, the fees to be collected by the secretary of state for filing and issuing, when required by this chapter, shall be:

(a) Articles of incorporation and a certificate of incorporation, *six dollars ($6)* [~~four dollars ($4.00)~~];

(b) Articles of amendment and a certificate of amendment, *six dollars ($6)* [~~four dollars ($4.00)~~];

(c) Restated articles of incorporation and restated certificate of incorporation, *six dollars ($6)* [~~four dollars ($4.00)~~];

(d) Articles of merger or consolidation and a certificate of merger or consolidation, *six dollars ($6)* [~~four dollars ($4.00)~~];

(e) Articles of dissolution and certificate of dissolution, *five dollars ($5)* [~~three dollars ($3.00)~~];

(f) A statement of change of address of registered office or change of registered agent, or both, by the secretary of state, five dollars ($5.00);

(g) A statement by a foreign corporation designating a resident process agent, by the secretary of state, five dollars ($5.00);

(h) An annual report by a domestic corporation, by the secretary of state, *three dollars ($3)* [~~two dollars ($2.00)~~];

(i) An annual report by a foreign corporation, by the secretary of state, *six dollars ($6)* [~~four dollars ($4.00)~~];

(j) Certified copy of the articles of incorporation and existing amendments, by the secretary of state, twenty-five dollars ($25.00) as an original filing fee, and a recording fee of ten dollars ($10.00); ten dollars ($10.00) for recording subsequent amendments; and

(k) Any other statement or report of a foreign or domestic corporation, *six dollars ($6)* [~~four dollars ($4.00)~~].

(2) For recording any documents, as required by this chapter, the county clerk shall be entitled to the fees specified in KRS 64.012.

Section 9. KRS 273.369 is amended to read as follows:

The secretary of state shall charge and collect:.

(1) For furnishing a certified copy of any document, instrument, or paper relating to a corporation, fifty cents ($.50) per page and *one dollar and fifty cents ($1.50)* [~~one dollar ($1.00)~~] for the certificate and affixing the seal thereto.

(2) At the time of any service of process on him as resident agent of a corporation, *six dollars ($6)* [~~four dollars ($4.00)~~], which amount may be recovered as taxable costs by the party to the suit or action causing such service to be made if such party prevails in the suit or action.

Section 10. KRS 355.9-401 is amended to read as follows:

(1) The proper place to file in order to perfect a security interest is as follows:

(a) when the collateral is equipment used in farming operations, or farm products, or accounts, contract rights or general intangibles arising from or relating to the sale of farm products by a farmer, or consumer goods, then in the office of the county clerk in the county of the debtor's residence or if the debtor is not a resident of this state then in the office of the county clerk in the county where the goods are kept, and in addition when the collateral is crops in the office of the county clerk in the county where the land on which the crops are growing or to be grown is located;

(b) when the collateral is goods which at the time the security interest attaches are or are to become fixtures, then in the office where a mortgage on the real estate concerned would be filed or recorded;

(c) in all other cases, if the debtor is a resident of this state in the office of the county clerk in the county of the debtor's residence, if the debtor is not a resident of this state but has a principal place of business in this state, in the office of the county clerk in the county where the nonresident has a principal place of business, if the debtor is a nonresident of this state and has no principal place of business in this state then in the office of the secretary of state of the Commonwealth of Kentucky. The secretary of state may collect a fee of *five dollars ($5)* [~~$3.00~~] for each filing in his office under this section.

(2) A filing which is made in good faith in an improper place or not in all of the places required by this section is nevertheless effective with regard to any collateral as to which the filing complied with the requirements of this article and is also effective with regard to collateral covered by the financing statement against any person who has knowledge of the contents of such financing statement.

(3) A filing which is made in the proper place in this state continues effective even though the debtor's residence or place of business or the location of the collateral or its use, whichever controlled the original filing, is thereafter changed.

(4) If collateral is brought into this state from another jurisdiction, the rules stated in KRS 355.9-103 determine whether filing is necessary in this state.

Section 11. KRS 362.095 is amended to read as follows:

(1) A foreign limited partnership may be authorized to do business in this state when, and only when, it has:

(a) Filed a certified copy of its articles of partnership or a certified copy of its certificate of limited partnership and all existing amendments in the office of the secretary of state, which may omit signature pages other than those signed by a general partner. It shall thereafter file a certified copy of subsequent amendments to its articles or certificate in the office of the secretary of state, provided that no amendment indicating merely a change in limited partners need be filed. A limited partnership shall pay to the secretary of state an original filing fee of *thirty-five dollars ($35)* [~~twenty-five dollars ($25.00)~~] and a recording fee of *fifteen dollars ($15.00)* [~~ten dollars ($10.00)~~] for recording the articles or certificate of partnership and accompanying amendments, and shall pay the same recording fee for recording subsequent amendments; and

(b) Designating a process agent, which shall have the same legal effect and be subject to the same requirements as a process agent for a foreign corporation under KRS 271A.555.

(2) The name of a foreign limited partnership shall not be the same as, or deceptively similar to, the name of any domestic corporation existing under the laws of this state or any foreign corporation authorized to transact business in this state, or a name of the exclusive right to which is, at the time, reserved in the manner provided in this chapter, or the name of a corporation which has in effect a registration of its name as provided in this chapter, or any assumed name filed with the secretary of state pursuant to KRS 365.015, except that this provision shall not apply if the foreign limited partnership applying for a certificate of authority files with the secretary of state any one (1) of the following:

(a) A resolution adopting a fictitious name for use in transacting business in this state which fictitious name is not deceptively similar to the name of any domestic corporation or of any foreign corporation authorized to transact business in this state or to any name reserved or registered as provided in this chapter, or any assumed name filed with the secretary of state; or

(b) The written consent of such other corporation or holder of a reserved or registered name or assumed name holder to use the same or deceptively similar name and one (1) or more words are added to make such name distinguishable from such other name; or

(c) A certified copy of a final decree of a court of competent jurisdiction establishing the prior right to such foreign limited partnership to the use of such name in this state.

(3) A limited partnership registering to do business in this state under subsection (1) of this section shall not be required to list the names of each limited partner.

Section 12. KRS 365.015 is amended to read as follows:

(1) The real name of a person shall include his or her surname at birth, or his or her name as changed by a court of competent jurisdiction, or the surname of a married woman; the real name of a domestic general partnership is that name which includes the real name of at least one (1) of the partners; the real name of a domestic limited partnership is that name which includes the real name of at least one (1) of the general partners; the real name of a domestic business trust is the name set forth in the declaration of trust; and the real name of a domestic corporation is the name set forth in its articles of incorporation. The real name of a foreign general or limited partnership and of a foreign business trust is the name recognized by the laws of the foreign state under which it is formed as being the real name; and the real name of a foreign corporation is the name set forth in its articles of incorporation or the fictitious name adopted for use in this state under KRS 271A.530.

(2) No person, general or limited partnership, business trust or corporation shall conduct or transact business in this state under an assumed name or any style other than his or its real name, as defined in subsection (1) of this section, unless such person, partnership, business trust or corporation has filed a certificate of assumed name.

The certificate shall state the assumed name under which the business will be conducted or transacted, the real name of person, partnership, business trust or corporation and his or its address, including street and number, if any.

A separate certificate shall be filed for each assumed name.

No certificate to be filed with the secretary of state shall set forth an assumed name which is identical or deceptively similar to any other assumed name or any corporate name or any foreign limited partnership name previously filed with the secretary of state unless the certificate is accompanied by the written consent of the prior holder of the assumed or corporate or partnership name and such word or words are added to the proposed assumed name so as to distinguish it from the previously filed assumed or corporate or partnership name.

The certificate shall be executed and acknowledged for a person, by the person; for a general partnership, by all the partners; for a limited partnership, by a general partner; for a business trust, by the trustees; for a corporation, by its president or vice-president and secretary or assistant secretary.

(3) The certificate of assumed name for a person shall be filed with the county clerk of each county wherein business will be conducted or transacted under an assumed name. The certificate of assumed name for a general or limited partnership, business trust or corporation shall be filed with the secretary of state and with the county clerk of each county wherein business will be conducted or transacted under an assumed name.

(4) Upon discontinuing the use of an assumed name, the certificate shall be withdrawn by filing a certificate in the office wherein the original certificate of assumed name was filed. The certificate of withdrawal shall state the assumed name, the real name and address of the party transacting business and the date upon which the original certificate was filed. The certificate of withdrawal shall be signed and acknowledged as required in subsection (2) of this section.

(5) The county clerk shall receive a fee pursuant to KRS 64.012 for filing each certificate, and the secretary of state shall receive a fee of *fifteen dollars ($15)* [~~ten dollars ($10.00)~~] for filing each certificate.

Section 13. KRS 423.010 is amended to read as follows:

The secretary of state may appoint as many notaries public as he deems necessary, who shall hold office for four years. Any person desiring to be appointed a notary public shall make written application to the secretary of state. The application shall be approved by the circuit judge, circuit clerk, county judge/executive, county clerk, justice of the peace or a member of the general assembly of the county of the residence of the applicant. No officer shall charge or accept any fee for approving the application. A notary public must be eighteen years of age, a resident of the county from which he makes his application, of good moral character and capable of discharging the duties imposed upon him by this chapter, and the endorsement of the officer approving the application shall so state. The secretary of state, in his certificate of appointment to the applicant, must designate the limits within which the notary is to act. Before a notary acts, he must take an oath before the county judge/executive of his county that he will honestly and diligently discharge the duties of his office. He must in the same court give an obligation with good security for the proper discharge of the duties of his office. Every certificate of a notary public shall state the date of the expiration of his commission. The secretary of state shall give to each notary appointed a certificate of his appointment under the seal of the Commonwealth of Kentucky in lieu of a commission heretofore required to be issued to said notary by the governor of Kentucky, and receive a fee of *seven dollars and fifty cents ($7.50)* [~~$5.00~~] for the certificate.

Section 14. KRS 454.210 is amended to read as follows:

(1) As used in this section, "person" includes an individual, his executor, administrator, or other personal representative, or a corporation, partnership, association, or any other legal or commercial entity, who is a nonresident of this Commonwealth.

(2) (a) A court may exercise personal jurisdiction over a person who acts directly or by an agent, as to a claim arising from the person's:

1. Transacting any business in this Commonwealth;
2. Contracting to supply services or goods in this Commonwealth;
3. Causing tortious injury by an act or omission in this Commonwealth;
4. Causing tortious injury in this Commonwealth by an act or omission outside this Commonwealth if he regularly does or solicits business, or engages in any other persistent course of conduct, or derives substantial revenue from goods used or consumed or services rendered in this Commonwealth, provided that the tortious injury occurring in this Commonwealth arises out of the doing or soliciting of business or a persistent course of conduct or derivation of substantial revenue within the Commonwealth;
5. Causing injury in this Commonwealth to any person by breach of warranty expressly or impliedly made in the sale of goods outside this Commonwealth when the seller knew such person would use, consume, or be affected by, the goods in this Commonwealth, if he also regularly does or solicits business, or engages in any other persistent course of conduct, or derives substantial revenue from goods used or consumed or services rendered in this Commonwealth;
6. Having an interest in, using, or possessing real property in this Commonwealth, providing the claim arises from the interest in, use of, or possession of the real property, provided, however, that such in personam jurisdiction shall not be imposed on a nonresident who did not himself voluntarily institute the relationship, and did not knowingly perform, or fail to perform, the act or acts upon which jurisdiction is predicated;
7. Contracting to insure any person, property, or risk located within this Commonwealth at the time of contracting.
8. Committing sexual intercourse in this state which intercourse causes the birth of a child when:
   a. The father or mother or both are domiciled in this state, or
   b. There is a repeated pattern of intercourse between the father and mother in this state, or
   c. Said intercourse is a tort or a crime in this state.

(b) When jurisdiction over a person is based solely upon this section, only a claim arising from acts enumerated in this section may be asserted against him.

(3) (a) When personal jurisdiction is authorized by this section, service of process may be made on such person, or any agent of such person, in any county in this Commonwealth, where he may be found, or on the secretary of state who, for this purpose, shall be deemed to be the statutory agent of such person.

(b) The clerk of the court in which the action is brought shall issue a summons against the defendant named in the complaint. The clerk shall execute the summons by sending by certified mail a true copy to the secretary of state and shall also mail with the summons an attested copy of plaintiff's complaint. The secretary of state shall immediately mail the copy of the summons and complaint to the defendant at the address given in the complaint. The letter shall be posted by certified mail, return receipt requested and shall bear the return address of the secretary of state. The clerk shall make the usual return to the court, and in addition the secretary of state shall make a return to the court showing that the acts contemplated by this statute have been performed, and shall attach to his return the registry receipt, if any. Summons shall be deemed to be served on the return of the secretary of state and the action shall proceed as provided in the Rules of Civil Procedure.

(c) The clerk mailing the summons to the secretary of state shall mail to him, at the same time, a fee of *six dollars ($6)* [~~four dollars ($4.00)~~], which shall be taxed as costs in the action.

(4) When the exercise of personal jurisdiction is authorized by this section, any action or suit may be brought in the county wherein the plaintiff resides or where the cause of action or any part thereof arose.

(5) A court of this Commonwealth may exercise jurisdiction on any other basis authorized in the Kentucky Revised Statutes or by the Rules of Civil Procedure, notwithstanding this section.

Section 15. KRS 454.270 is amended to read as follows:

(1) Any nonresident operator or owner of any watercraft who accepts the privilege extended by the laws of this state to nonresidents to operate watercraft or have them operated within state shall, by such acceptance and by the operation of such watercraft within this state, make the secretary of state the agent of himself or his personal representative for the service of process in any civil action instituted in the courts of this state against the operator or owner, or the personal representative of the operator or owner, arising out of or by reason of any accident or collision or damage occurring within this state in which the watercraft is involved.

(2) The clerk of the court in which the action is brought shall issue a summons against the defendant named in the complaint and direct it to the sheriff of Franklin County. The sheriff shall execute the summons by delivering a true copy to the secretary of state and shall also deliver with the summons an attested copy of plaintiff's complaint. The secretary of state shall immediately mail the copy of the summons and complaint to the defendant at the address given in the complaint. The letter shall be posted by prepaid certified mail, return receipt requested and shall bear the return address of the secretary of state. The sheriff shall make the usual return to the court, and in addition the secretary of state shall make a return to the court showing that the acts contemplated by this statute have been performed, and shall attach to his return the registry receipt, if any. Summons shall be deemed to be served on the return of the secretary of state and the action shall proceed as provided in the Rules of Civil Procedure.

(3) The sheriff serving the summons upon the Secretary of State shall pay to him, at the time of service, a fee of *three dollars ($3)* [~~two dollars ($2.00)~~], which shall be taxed as costs in the action. The secretary shall keep a record of each summons, including the day and hour of service upon him.

(4) The court in which the action is pending may order such continuances as may be necessary to afford the defendant reasonable opportunity to appear and defend the action.

(5) This chapter extends the right of service of process upon nonresidents, and does not limit any other provisions for the service of process.

(6) The provisions of this chapter shall apply to any operator or owner of any watercraft who is a resident of this state at the time any accident or collision or damage occurs and who thereafter becomes a nonresident.

Floor Title Amendment to **SB 269,** by Representative Noe:

Amend printed copy of **SB 269,** page 1, Title, by deleting the title and inserting "AN ACT relating to education" in lieu thereof.

Floor Title Amendment No. 2 to **SB 269,** by Representative Moberly:

Amend printed copy of **SB 269,** page 1, Title, by deleting the Title and inserting in lieu thereof: "AN ACT relating to education."

Floor Amendment No. 2 to **SB 269,** by Representative Noe:

Amend printed copy of **SB 269,** page 2, after line 9, by adding the following:

"SECTION 2. A NEW SECTION OF KRS 161.720 TO 161.810 IS CREATED TO READ AS FOLLOWS:

The performance of all teachers shall be evaluated according to procedures developed by each school district board of education. Evaluation procedures shall comply with the following requirements:

(1) All evaluations shall be in writing on evaluation forms and under evaluation procedures developed by a committee composed of an equal number of persons who do not evaluate others and supervisory employes of the board. The evaluation forms and procedures shall be approved by the board of education on recommendation by the superintendent.

(2) All monitoring or observation of performance of a teacher shall be conducted openly and with full knowledge of the teacher.

(3) Persons conducting evaluations shall be supervisory employes of the board of education trained as evaluators and shall be certified and qualified in the grade level or course of instruction taught by the

person being evaluated.

(4) Evaluation shall include reasonable periods of observation of teacher performance by the evaluator and the teacher shall be notified in advance of the dates and times of observations.

(5) The evaluator shall take into consideration and note on the evaluation form, any facts or circumstances that may adversely affect the performance of a teacher.

(6) Student test scores, student grades or the failure rate of students shall not be used to evaluate the performance of any teacher.

(7) Evaluations shall cite strengths and weaknesses of a teacher, shall contain positive and specific recommendations for remediation of any deficiencies noted and shall establish a plan where the person evaluated is given assistance for correction of any deficiencies. A reasonable period of time shall be allowed for correction of deficiencies.

(8) Deficiencies noted in an evaluation shall be specifically stated on the evaluation form and shall not be based upon factors not observed by the evaluator.

(9) Evaluation shall include a conference between the evaluator and the person evaluated. If the evaluator has cited deficiencies, a second conference must be held to determine if the recommendations for remediation have been followed.

(10) The person evaluated may take exception to any part of the evaluation by written reply. If differences between the evaluator and the person evaluated are not resolved, either may appeal to an unbiased panel of three (3) qualified persons appointed by the board of education. The panel shall hold a hearing and present its findings and conclusions to the board of education.

SECTION 3. A NEW SECTION OF KRS 161.720 TO 161.180 IS CREATED TO READ AS FOLLOWS:

(1) Procedures for evaluation of teachers in effect on December 31, 1983, shall be used in school districts where a teachers' organization has negotiated an evaluation procedure with the board of education. If the negotiated evaluation procedure is substantially changed or eliminated by unilateral action of the board of education, the provisions of Section 1 of this Act shall become effective.

(2) Evaluation required by this Act, shall be conducted prior to a teacher receiving tenure and at least every five (5) years thereafter."

Floor Title Amendment No. 3 to **SB 269**, by Representative Van Horn:

Amend printed copy of **SB 269**, page 1, title line, by deleting the words "coaches of."

Floor Amendment No. 3 to **SB 269**, by Representative Moberly:

Amend printed copy of **SB 269**, page 2, after line 9, by adding the following:

"Section 2. KRS 158.060 is amended to read as follows:

Twenty (20) school days, or days in which teachers are actually employed in the schoolroom, shall constitute a school month in the common schools. The legal holidays designated by the state board *of* [~~for elementary and secondary~~] education to be observed may include the first Tuesday after the first Monday in November of each year and shall be counted as school days. No teacher shall teach on Saturdays except in cases of emergency and then only upon authorization of the state board *of* [~~for elementary and secondary~~] education. *For each six (6) hours of classroom teaching per day, each teacher shall be provided with a duty-free lunch period of not less than thirty (30) minutes.* Except for children attending kindergarten, readiness classes, first grade classes, and the handicapped, who may attend a program of less than six (6) hours per day under policy adopted by the local school district board of education and approved by the state board *of* [~~for elementary and secondary~~] education, six (6) hours of actual school work shall constitute a school day. The daily session, including recesses and intermissions, shall not exceed nine (9) hours. A local board of education, with the approval of the state board *of* [~~for elementary and secondary~~] education, may extend the regular school day, when necessary, to make up days missed as a result of emergency, providing that the extended school day shall not exceed nine (9) hours. If a school district has adopted an extended school day before such emergency, the time in excess of the minimum school day may, with the approval of the state board *of* [~~for elementary and secondary~~] education, be used to make up days missed as a result of emergency."

Floor Title Amendment No. 4 to **SB 269**, by Representative Van Horn:

Amend printed copy of **SB 269**, page 1, by deleting the title and inserting the following in lieu thereof: "AN ACT relating to athletics."

Floor Amendment No. 4 to **SB 269**, by Representative Van Horn:

Amend printed copy of **SB 269**, page 2, after line 9, by adding the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 164 IS CREATED TO READ AS FOLLOWS:

(1) Effective July 14, 1984, athletic departments at state supported colleges and universities shall institute accounting procedures which establish separate accounts in their athletic funds for the sports of football and basketball. Athletic departments shall deposit fifty percent (50%) of the net profits from their football and basketball programs into a trust fund at the end of each respective season for each sport. For purposes of this Act, net profits shall mean funds remaining in the above accounts after actual expenses of operating each program have been paid.

(2) The trust fund for each sport shall, at the end of each fiscal year, be divided equally among the graduating seniors after graduation who participated in each sport. Those eligible to receive such payment shall have participated in the sport for at least three (3) years or shall have become unable to participate as a result of injuries suffered as a result of such participation.

(3) The provisions of this Act shall become effective July 14, 1984 and the first payments made under subsection (2) of this section shall be made by June 30, 1985."

Floor Amendment No. 5 to **SB 269**, by Representative Van Horn:

Amend printed copy of **SB 269**, page 2, by adding the following after line 9:

SECTION 2. A NEW SECTION OF KRS CHAPTER 164 IS CREATED TO READ AS FOLLOWS:

Members of athletic teams of the University of Kentucky and members of athletic teams of the University of Louisville shall, by virtue of such membership, be deemed employes of the Commonwealth of Kentucky. Each such employe shall be paid from the State Treasury the sum of two thousand five hundred dollars ($2,500) per game in which he or she participates. The athletic department of each university shall reimburse the Commonwealth for the cost of such payments to its athletes.

Floor Amendment No. 1 to **SB 287**, by Representative Craddock:

Amend printed copy of **SB 287**, page 4, line 11, by adding after the word "*a*" the words: "*dealer or*";

On line 12, by deleting the word "*new*";

On line 13, by deleting the word "*original*" and by inserting after the word "*purchaser*" the words "*as a result of formal arbitration or litigation, or, in the case of a manufacturer,*"

On line 18, by deleting the word "*first*";

On line 20, by adding after the word "*the*" the words "*dealer or.*"

Floor Amendment No. 3 to **SB 294**, by Representative Clarke:

Amend printed copy of HCS to **SB 294**, page 14, by deleting lines 15 through 20 in their entirety and inserting in lieu thereof the following:

"*To the extent that the provisions of a budget bill are in conflict with the provisions of KRS Chapter 7, Chapter 12, Chapter 15 including the provisions of 15.755 and 15.765, Chapter 18A including the provisions of 18A.355, Chapter 42, Chapter 56, Chapter 64 including the provisions of 64.055, 64.480, 64.485 and 64.527, Chapter 132 including the provisions of 132.590, Chapter 152, Chapter 177, or Chapter 341, the provisions of those chapter or sections are hereby suspended or modified. Such suspension or modification shall not extend beyond the duration of the budget bill.*"

Floor Title Amendment to **SB 312**, by Representative Bendl:

Amend printed copy of **SB 312**, by amending the title to read as follows: "AN ACT relating to health."

Floor Amendment No. 1 to **SB 312**, by Representative Bendl:

Amend printed copy of **SB 312**, page 3, line 19, by adding the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

As used in Section 3, 4 and 5 of this Act "state health plan" means the health planning document or components thereof which set out the policies and recommendations of the Commonwealth relating to the Commonwealth's health care needs and health delivery system and which is duly adopted by the state health planning council and approved by the governor.

SECTION 3. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

(1) There is hereby created the state health planning council, consisting of seventeen (17) members, to be appointed by the governor, for the purposes of carrying out the duties prescribed in this chapter.

(2) It is recommended to the governor that ten (10) of the members of the state health planning council be consumers of health care who are representatives of recognized consumer advocacy groups. It is also recommended that consumers not have been health care providers or administrators for at least twelve (12) months preceding their appointment, or have an ownership, employment, medical staff, board of trustees, fiduciary, contractual, creditor or consultative relationship with a health care service or provider.

(3) It is recommended that the governor solicit nominations for consumer members of the council from recognized consumer advocacy groups including but not limited to organizations representing older persons, disabled persons, women, blacks, children and youth, rural Kentuckians, medically underserved populations in the Commonwealth, labor organizations, and employers. Each group shall submit to the governor a list of three (3) nominees from which the governor may appoint the members of the council. It is recommended that the governor appoint no more than one (1) member from a single organization.

(4) It is recommended that the governor solicit nominations for health care provider members of the council from recognized health care provider organizations including but not limited to organizations representing physicians, nurses, home health services, hospice care, nursing homes, free standing ambulatory surgery centers, mental health centers, primary care centers, health maintenance organizations, health insurers and hospitals. Each provider organization shall submit a list of three (3) nominees to the governor. It is recommended to the governor that seven (7) health care providers be selected by the governor from lists submitted by provider organizations and that at least one-half (1/2) of provider members be direct providers as defined by federal law. It is recommended that providers to the extent possible represent the entire array of health care services, and that no one (1) category of provider has more than one (1) representative on the council.

(5) The chief medical officer of one (1) of the Veteran's Administration Hospitals in Kentucky, or his designee, shall be appointed by the governor to serve as a nonvoting ex-officio member of the council.

(6) It is recommended that the governor, to the extent possible, rotate membership on the state health planning council among the various health care provider and consumer advocacy organizations.

(7) It is recommended that the state health planning council as a whole be broadly representative of the gender, geographic, economic and racial characteristics of the people of the Commonwealth.

(8) Appointed members shall serve for terms of three (3) years, except the initial terms shall be staggered in such a way that five (5) members shall have one (1) year terms, six (6) members shall have two (2) year terms, and six (6) members shall have three (3) year terms.

(9) The chairman of the state health planning council shall be selected from the consumer members by a vote of the council.

(10) A majority of the council membership shall constitute a quorum for the purposes of conducting the business of the council.

(11) No member of the state health planning council may vote on any matter before the council

respecting any person or entity with which such member or immediate family member or partner of the member has, or within the twelve (12) months preceding the vote had, any ownership, employment, medical staff, fiduciary, contractual, creditor or consultative relationship. The state health planning council shall require each of its members to make a written disclosure of all such relationships to be placed on file and distributed to all members of the council, and to make such relationships public in any meeting in which an action is to be taken which involves the person or entity.

(12) No individual who as a member or employe of the state health planning council shall, by reason of his performance of any duty, function, or activity required of or authorized to be undertaken by the council, be liable for payment of damages under any law of the United States or Kentucky, if the member believed he was acting within the scope of his duty, function or activity of such a member or employe and acted without gross negligence or malice toward any person affected by it.

(13) Council members shall receive fifty dollars ($50) for each day spent in active council duty and shall be reimbursed for all allowable expenses incurred for each day spent in active council duty.

(14) The state health planning council shall:

(a) Prepare and review at least triennually, and revise as necessary a state health plan in accordance with Section 4 of this Act by which a health policy will be determined for the Commonwealth;

(b) Appoint such technical advisory committees as are deemed necessary for the purpose of making recommendations to the council concerning the review and revision of specific components of the state health plan including, but not limited to, acute care services, long term care services, and health manpower. Each technical advisory committee shall be comprised of individuals who are representative of the specialty area to which the committee is assigned. No technical advisory committees shall have any independent decision-making authority and shall report only recommendations to the council;

(c) Establish timetables which provide at least thirty (30) days for review of drafts of the state health plan and its components by the council, local health planning agencies, and the public;

(d) Advise on Section 1122 applications in accordance with federal law; and

(e) Perform such other duties as required by federal law.

SECTION 4. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

The state health plan shall:

(1) Describe the health services needed to provide for the well being of persons residing in the state. The plan may address the following: long term care, primary care, home health care services, hospital care including psychiatric, obstetrical and neonatal services, prevention and detection services, reimbursement for health care services and other such concerns as deemed necessary by the state health planning council.

(2) Describe the numbers and types of resources, including facilities, personnel and major medical equipment required to meet the goals of the plan and shall state the extent to which new health care facilities need to be constructed or acquired and the extent to which existing health care facilities are in need of modernization, conversion to other uses, delicensure, or closure.

(3) Include a prioritization of health status needs identified and approved by the state health planning council. The state health plan may also include a recommendation for the development of a cohesive and cost-effective health care delivery system, coordinating types and levels of care in an effort to achieve comprehensive care, proper utilization of services and efficient functioning of the health care delivery system.

SECTION 5. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

Any preparation or revision of the state health plan or any component thereof shall be made in accordance with the following procedures:

(1) Prior to the preparation or revision of the state health plan or any component thereof, each local health planning agency shall hold a public hearing in its respective geographic area for the purpose of obtaining public comments as to the identification of local health needs and problems which should be addressed in the plan, and the economic impact on the public of meeting those needs and addressing those problems.

(2) After considering comments received from local public hearings, the local health planning agency shall develop a draft of the state health plan or plan component for the council's review and approval according to timetables established by the council.

(3) Each local health planning agency shall have the authority to develop a local health plan which shall be submitted to the state health planning council for approval or disapproval.

(4) In disapproving a local health plan, the state health planning council shall provide a statement of the reasons why the plan was rejected.

(5) The council shall issue a preliminary state health plan which shall include any health planning components approved by the council, an economic impact analysis respecting policies and recommendations contained in the plan, and shall incorporate any local health plan developed by a local health planning agency which has been approved by the state health planning council.

(6) The state health planning council shall conduct a public hearing on the proposed state health plan or components thereof and shall give interested persons an opportunity to submit their views orally and in writing. Not less than thirty (30) days prior to any such hearing, the council shall publish in at least two (2) newspapers of general circulation in the state a notice of this consideration of the proposed plan or plan component, the time and place of the hearing, the place at which interested persons may consult the plan in advance of the hearing, and the place and period during which to direct written comments to the council on the plan.

(7) Following the hearing, the council shall give adequate and written consideration to all written and oral statements submitted regarding the plan or any component thereof.

(8) The state health plan, any revised state health plan, or any health planning component approved by the state health planning council shall become effective upon approval and signature by the governor. In disapproving a state health plan, the governor shall make public a detailed statement of the basis for the determination that the plan does not meet health care needs of the population and shall specify the changes in the plan which the governor determines are needed to meet such needs.

t(9) If the governor disapproves a plan under subsection (8) of this section and specifies changes, within thirty (30) days the council may revise the disapproved plan as recommended by the governor and resubmit the revised plan to the governor for approval or disapproval pursuant to subsection (8) of this section.

SECTION 6. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

(1) The cabinet for human resources is hereby designated as the state health planning and development agency.

(2) The cabinet for human resources, state health planning and development agency shall provide all necessary staff support for the activities of the state health planning council.

(3) The cabinet for human resources shall develop and implement such administrative regulations as may be necessary to carry out the provisions of this chapter and the responsibilities of the state health planning council."

Floor Amendment No. 1 to **SB 335**, by Representative T. Jones:

Amend printed copy of **SB 335**, page 3, after line 2, by adding the following:

"Section 2. KRS 72.405 is amended to read as follows:
As used in KRS 72.410 to 72.470, unless the context clearly indicates otherwise:
(1) "Coroner ordered autopsy" means an autopsy ordered by the coroner having jurisdiction and

performed by a pathologist pursuant to such authorization in order to ascertain the cause and manner of death in a coroner's case. In the event the pathologist deems it necessary, he may submit the appropriate specimen to a qualified chemist or toxicologist for analysis to assist him in ascertaining the cause of death in a coroner's case.

(2) "Coroner's case" means a case in which the coroner has reasonable cause for believing that the death of a human being within his county was caused by any of the conditions set forth in KRS 72.025.

(3) "Inquest" means an examination ordered by the coroner, or in his absence, ordered by a deputy coroner, into the causes and circumstances of any death which is a coroner's case by a jury of six (6) residents of the county impaneled and selected by the coroner to assist him in ascertaining the cause and manner of death.

(4) "Post-mortem examination" means a physical examination of the body by a medical examiner or by a coroner or deputy coroner who has been certified by the department of justice and may include an autopsy performed by a pathologist or other appropriate scientific tests administered to determine cause of death.

(5) "Certified coroner" or "certified deputy coroner" means a coroner or deputy coroner who has been certified by the department of justice to have successfully completed both the basic training course and annual inservice training course required by KRS 72.415, except that a deputy coroner shall be certified without completion of training courses required by KRS 72.415 if he is a licensed physician. *The justice cabinet shall provide coroners who are licensed physicians with copies of materials from both the basic training course and annual inservice training course and shall certify such a coroner without attendance at training courses provided that the coroner passes an examination administered by the cabinet.* The secretary of justice may waive the requirement for basic training and certify a coroner during the eighteen (18) month period after July 15, 1982 if the advisory commission set forth in KRS 72.225 certifies to the secretary after a thorough review that the experience and knowledge of the specific coroner is such that he is qualified to be a certified coroner without taking the basic training."

Floor Title Amendment to **SB 339**, by Representative Guenthner:

Amend printed copy of **SB 339**, page 1, by amending the title to read: "AN ACT relating to local government powers."

Floor Amendment No. 1 to **SB 339**, by Representative Guenthner:

Amend printed copy of **SB 339**, page 17, line 12, by adding after line 12 the following:

"SECTION 10. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

As used in this Act, unless the context otherwise requires:

(1) "Qualified investment" means new stock or a new partnership interest in a qualified entity, which stock or interest is purchased solely for cash by the taxpayer.

(2) "New stock" means a share or shares of stock of a corporation if the stock, when purchased by the taxpayer, is authorized but unissued.

(3) "New partnership interest" means either a general or a limited partnership interest in a limited partnership if the interest is acquired by the taxpayer from the limited partnership.

(4) "Qualified entity" means the local development corporation, and any other corporation or limited partnership in which the local development corporation purchases new stock or a new interest pursuant to Section 6 of this Act.

(5) "Local development corporation" means the corporation organized pursuant to Sections 6 and 7 of this Act.

(6) "State tax liability" means a taxpayer's total tax liability that is incurred under:

(a) KRS 141.020, individual income tax;

(b) KRS 141.040, corporate income tax;

(c) KRS 136.270(1), state bank shares tax;

(d) KRS 132.020(2), state tax on intangible personal property;

(e) KRS 136.310, savings and loan association tax; and

(f) KRS 136.330, insurance premiums tax;

as computed after the application of the credits, except the credits provided by this Act, that the taxpayer uses to reduce that liability.

(7) "Taxpayer" means any person, corporation, partnership, or other entity that has any state tax liability.

(8) "County judge/executive means the county judge/executive or the chief executive officer of an urban-county government.

SECTION 11. NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

Subject to Section 5 of this Act, a taxpayer is entitled to a credit against any state tax liability which may be imposed on the taxpayer for a particular taxable year that begins after December 31, 1984, if the taxpayer purchases a qualified investment in a qualified entity. However, a taxpayer may only receive a credit for qualified investments purchased within three (3) years of the creation of the local development corporation.

SECTION 12. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

Subject to Section 5 of this Act, the amount of the credit that a taxpayer may receive under this Act for a particular taxable year is equal to the lesser of the taxpayer's state tax liability for that taxable year, or the amount determined in step three of the following steps:

Step one: Add the consideration paid for all qualified investments the taxpayer purchased during that taxable year;

Step two: Multiply the amount determined in step one by three-tenths (.3); and

Step three: Add the product determined in step two to the credit carryover, if any, to which the taxpayer is entitled for that taxable year under Section 6 of this Act.

SECTION 13. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

If the amount determined under steps one through three of Section 3 of this Act for a particular taxpayer and a particular taxable year exceeds the taxpayer's state tax liability for that taxable year, then the taxpayer may carry the excess over to the immediately succeeding taxable years. However, the credit carryover may not be used for any taxable year that begins more than six (6) years following the year in which the qualified investment was made. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this Act for any subsequent taxable year. A credit based on a qualified investment purchased during 1984 shall be a credit carryover to taxable years that begin after 1984.

SECTION 14. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The total amount of credits allowed under this Act may not exceed in the aggregate two million dollars ($2,000,000) for each local development corporation for all taxpayers making qualified investments in such corporation and all taxable years. The aggregate amount of consideration paid by all taxpayers for qualified investments in a particular qualified entity, other than the local development corporation, which may be used by all those taxpayers as a basis for credits under this Act, may not exceed an amount equal to five (5) times the amount of consideration paid by the local development corporation for new stock or a new partnership *interest in the qualified entity. The local development corporation shall administer the provisions of this section and shall issue the forms required by Section 14 of this Act only to the extent consistent with the limits in this section. If aggregate consideration paid for qualified investments which would otherwise qualify for the credit provided by this Act exceeds the limits imposed by this section, the credit shall be allowed to taxpayers in the order of the time of the purchase of the qualified investments.*

SECTION 15. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) To carry out the purpose of this Act, the local development corporation shall be formed under KRS Chapter 271A. The articles of incorporation of the local development corporation shall comply with the provisions set forth in subsections (2) through (6) of this section.

(2) The purpose of the local development corporation shall be solely to raise funds which shall be used to make investments in qualified entities described in subsection (4) of this section; to provide financing to Kentucky business firms; and to make investments in qualified entities described in subsection (5) of this section in a manner that will encourage capital investment in the Commonwealth of Kentucky, encourage the establishment or expansion of business and industry in the state, provide additional jobs within the state, and encourage research and development activities.

(3) The directors need not be shareholders in the local development corporation, and there shall be not less than three (3) nor more than seven (7) directors, three (3) of whom shall be persons who have been nominated to be directors by the county judge/executive.

(4) The local development corporation may purchase new stock in a corporation organized under KRS Chapter 271A or may purchase a new partnership interest in a limited partnership that has its principal office located in Kentucky if the corporation or partnership:

(a) Has received a license or a statement of intent to license as a small business investment company from the small business administration of the United States under the small business investment act of 1958, as amended; and

(b) Is organized and operated solely for the purpose of performing the functions and conducting the activities contemplated by the small business investment act of 1958, as amended.

(5) The local development corporation may purchase new stock in a corporation organized under KRS Chapter 271A or may purchase a new partnership in a limited partnership that has its principal office located in Kentucky, and provide financing to entities doing business primarily in Kentucky, including but not limited to minority businesses, corporations and partnerships, to be used solely for the purpose of enhancing the production capacity of the entity or the ability of the entity to do business in Kentucky. The financing may include any or a combination of equity investments, loans, guarantees, and commitments for financing, and the amount of financing is unlimited.

(6) No business shall be transacted or indebtedness incurred, except such as shall be incidental to the local development corporation's organization or to obtaining subscriptions to or payment for its shares, until the sum of legally enforceable subscriptions and consideration for shares equals at least five hundred thousand dollars ($500,000). Amounts paid in shall be the initial stated capital of the local development corporation.

SECTION 16. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) The county judge/executive may petition the secretary of the commerce cabinet for the creation of a local development corporation on his own initiative or on suggestion of the secretary of the commerce cabinet or any other interested party. The petition shall be accompanied by a draft copy of the articles of incorporation of the proposed corporation and other information that the secretary of the commerce cabinet deems appropriate. The secretary of the commerce cabinet shall consult with the secretary of the revenue cabinet and shall, within ninety (90) days of the receipt of the application, render a decision approving or disapproving the creation of the local development corporation.

(2) Following the approval of the secretary of the commerce cabinet, the county judge/executive may cause the local development corporation to be formed, and he shall designate the incorporators and the first

board of directors, no more than a simple majority of which may be members of the same political party. The county judge/executive may expend such funds as he deems appropriate for the purpose of organizing the local development corporation and marketing the securities thereof.

SECTION 17. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The local development corporation is exempt from any and all state tax levies including, but not limited to, the corporate income tax (KRS 141.040) and intangibles tax (KRS 132.020(2)). However, the local development corporation is not exempt from employment taxes or any taxes imposed by a county or by a municipal corporation.

SECTION 18. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) Except as provided in subsection (2) of this section, income that is taxable to a taxpayer who purchased a qualified investment by reason of ownership of the qualified investment is exempt from income tax under KRS 141.020 or 141.040.

(2) The exemption provided under subsection (2) of this section shall not apply to any income realized by reason of the sale or other disposition of the qualified investment.

SECTION 19. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

Any taxpayer is exempt from any tax to the extent that the tax is based on or measured by the qualified investment, including, but not limited to, any tax which might otherwise be imposed with respect to the qualified investment under the intangibles tax (KRS 132.020(2)), the bank tax (KRS 136.270(1)), and the savings and loan association tax (KRS 136.310).

SECTION 20. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

If a qualified investment which is the basis for a credit under this Act is redeemed by the qualified entity within five (5) years of the date it is purchased, the credit provided by this Act for the qualified investment shall be disallowed, and any credit previously claimed and allowed with respect to the qualified investment so redeemed shall be paid to the revenue cabinet with the appropriate return of the taxpayer covering the period in which the redemption occurred. When payments are made to the cabinet under this section, the amount collected shall be handled in exactly the same manner as if no credit had been allowed.

SECTION 21. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) A credit to which a taxpayer is entitled under this Act shall be applied against taxes owed by the taxpayer in the following order:

(a) First, against the taxpayer's income tax liability under KRS 141.020 or 141.040 for the taxable year;

(b) Second, against the taxpayer's intangibles tax liability under KRS 132.020(2) for the taxable year;

(c) Third, against the taxpayer's bank tax liability under KRS 136.270(1) or savings and loan association tax liability under KRS 136.310 for the taxable year;

(d) Fourth, against the taxpayer's insurance premiums tax liability under KRS 136.330 for the taxable year.

(2) Whenever the tax paid by the taxpayer under any of the tax provisions listed in subsection (1) of this section is a credit against the liability or a deduction in determining the tax base under another Kentucky tax provision, the credit or deduction shall be computed without regard to the credit to which a taxpayer is entitled under this Act.

SECTION 22. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

To receive the credit provided by this Act, a taxpayer must:

(1) Claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the revenue cabinet; and

(2) File with the revenue cabinet and with the taxpayer's annual state tax return or returns a copy of the form issued by the local development corporation as to the qualified investment by the taxpayer, which shall include an undertaking by the taxpayer to report to the revenue cabinet any redemption of the qualified investment, if the redemption is covered by Section 11 of this Act.

SECTION 23. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The local development corporation shall complete forms prescribed by the revenue cabinet which shall show as to each qualified investment in any qualified entity the following:

(1) The name, address, and employer identification number of the qualified entity;

(2) The name, address, and identification number of the taxpayer who purchased the qualified investment; and

(3) The extent of the qualified investment purchased by the taxpayer and the amount paid therefor.

The forms required to be filed with the revenue cabinet shall be filed by the local development corporation on or before the fifteenth day of the second month following the month in which the qualified investment is purchased. Copies of the forms shall be mailed to the taxpayer and, where the qualified entity is not the local development corporation, the qualified entity on or before that same date.

SECTION 24. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The tax exemptions contained in Sections 8, 9 and 10 of this Act may be repealed or modified by the general assembly of the Commonwealth of Kentucky.

SECTION 25. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

As used in Sections 16 to 20 of this Act, unless the context otherwise requires:

(1) "Authority" means the legislative body of any county or urban-county government that creates, establishes, and designates an innovative development area within its respective jurisdiction, pursuant to Sections 16 to 18 of this Act.

(2) "Innovative development area" means an area within any county or urban-county government declared by an authority to be eligible for the benefits of Sections 19 and 20 of this Act.

(3) "Qualified business" means any person, corporation or other entity that during the time of designation of an innovative development area is engaged in the active conduct of a trade or business within the area, and that is a qualified entity within the context of Sections 1 to 15 of this Act, or a Kentucky business in which financing has been provided by a local development corporation under the provisions of Section 6 of this Act.

(4) "Qualified property" means:

(a) Any tangible personal property located in an innovative development area used predominantly by a qualified business in the active conduct of a trade or business; and

(b) Any real property located in an innovative development area which:

1. Is used predominantly by a qualified business in the active conduct of a trade or business; or

2. Any interest in a corporation, partnership or other entity if, for the most recent taxable year of such entity ending before the date of sale or exchange, such entity was a qualified business.

SECTION 26. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

The legislative body of any county or urban-county government may by ordinance create, establish and designate innovative development areas within its jurisdiction pursuant to Sections 16 to 18 of this Act.

SECTION 27. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) Any area within a county or urban-county government may be designated an innovative development area by act of the legislative body of such county or urban-county government, provided that:

(a) Such area shall have a continuous boundary;

(b) Not more than two (2) areas may be designated within the jurisdiction of any county or urban-county government within any calendar year; and

(c) Any designation of an area shall remain in effect for a period of five (5) years.

(2) In deciding which areas within its jurisdiction should be designated innovative development areas, the authority shall give preference to areas containing high levels of unemployment or underemployment and evidence of general economic distress.

(3) Before designating an area as an innovative development area, the legislative body shall consider the benefits to accrue to the community as a result of such designation, including a determination whether the anticipated long-term increases in tax revenues and employment are greater than any short-term loss to the community from any waiver or decrease in any tax or regulation permitted herein.

SECTION 28. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) In order to carry out the purposes and intent of Sections 16 to 18 of this Act, the legislative body of any county or urban-county government that has designated an innovative development area pursuant to Sections 16 to 18 of this Act, may, by regulation, exempt for a period not to exceed five (5) years within such area, any innovative development area from the provisions of any regulation, in whole or in part, which has been promulgated by such legislative body.

(2) Innovative development areas shall not be exempted from the provisions of any regulation, including, but not limited to, provisions of building codes, if such exemption endangers the health and safety of the citizens of the Commonwealth.

(3) The authority shall conduct a review of local regulations and shall recommend exemption of regulations which would contribute to the implementation of this Act.

SECTION 29. A NEW SECTION OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) The provisions of KRS Chapters 67, 68, 91, 92 and 137 notwithstanding, for a period not to exceed five (5) years, any county or urban-county government that has designated an innovative development area pursuant to Sections 16 to 18 of this ACt, may levy an annual license tax of ten dollars ($10) upon any qualified business within an innovative development area, in lieu of all other license taxes that may be imposed on such qualified business by such county or urban-county government.

(2) The provisions of KRS Chapter 132 notwithstanding, for a period not to exceed five (5) years, any county or urban-county government that has designated an innovative development area pursuant to Sections 16 to 18 of this Act, may levy for the purposes of revenues received by such county or urban-county government, an ad valorem tax rate on qualified property within an innovative development area of one-tenth

of one cent ($.001) upon each one hundred dollars ($100) of assessed valuation, in lieu of any other ad valorem taxes levied by such county or urban-county government on such qualified property."

Floor Amendment No. 4 to **SB 341**, by Representative Moberly:

Amend printed copy of **SB 341**, page 21, line 12, by inserting the following:

"SECTION 6. A NEW SECTION OF KRS CHAPTER 224IS CREATED TO READ AS FOLLOWS:

(1) Whenever an environmental emergency, as defined in KRS 224.877(1)(d), occurs, any costs incurred by state agencies, county and city governments, special districts, and urban-county governments shall be recoverable from any person liable therefore. Such liability shall be strict, joint and several. Costs shall include, but not be limited to, damages, operational expenses, overhead, and any other expense attributable to the emergency and all of which whether direct or indirect costs.

(2) The cabinet is authorized to seek collection of the costs. The cabinet shall act as the coordinating agency for all state agencies, county and city governments, special districts and urban-county governments, which have incurred costs from the environmental emergency. The cabinet is authorized to investigate all claims and to seek recovery of costs on behalf of all state agencies, county and city governments, special districts and urban-county governments.

(3) The cabinet is authorized to recover the costs by filing suit in Franklin Circuit Court which shall have jurisdiction and venue over such actions. The cabinet shall be reimbursed court costs including any lay or expert witness fee or expense and reasonable attorney's fees in any action in which it is the prevailing party against any defendant found liable for costs."

Floor Amendment No. 5 to **SB 341**, by Representative B. Smith:

Amend printed copy of **SB 341**, page 21, after line 20, by adding the following:

SECTION 6. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) Utilization of existing highwalls by local governments developing solid waste disposal facilities is an economically beneficial action serving the public good. Local governments may under the following conditions be exempt from eliminating the highwalls on condition that:

(a) The land on which the highwall lies is owned by the local government unit;

(b) A sanitary landfill permit exists for the subject area or a resolution has been adopted by the local government unit that the site is to be used for a solid waste disposal site prior to any other principal;

(c) Prior to the sale of the property, when a solid waste-permit on the subject area has not been obtained the highwall is eliminated pursuant to state regulations;

(d) A ground water monitoring plan approved by the cabinet for natural resources and environmental protection is in effect; or the site by virtue of particular hydrogeological conditions that minimize the potential of ground water contamination by landfill leachate is exempt from ground water monitoring requirements;

(e) All other state requirements for reclamation are enforced;

(f) A minimum of ten (10) feet of inorganic silt or clay with medium or low plasticity at ninety-five percent (95%) standard proctor compaction is placed between the highwall and the solid waste fill cells at the time of active landfilling and such a requirement is a condition of the landfill permit at the time it is granted; and

(g) Minimum three to one (3:1) slopes for final contours are a condition of the landfill permit.

(2) These provisions are to apply to all applications for solid waste permits pending as of the day of the enactment of this Act, as well as for those permits to be submitted, and to all highwalls on property owned

by governmental units.

Floor Amendment No. 3 to **SB 352**, by Representative Lundergan:

Amend printed copy of **SB 352**, page 71, after line 3, by adding the following:

"Section 45. KRS 229.011 is amended to read as follows:

As used in this chapter unless the context clearly indicates otherwise the following definitions shall apply:

(1) "Advertise" includes the use of handbills, placards, posters, billboards, pictures, printed or written material or newspapers or other publications, or radio, television and other communication media.

(2) "Exhibition," in addition to its ordinary meaning, shall include a public show or showing through the medium of closed circuit television to which an admission ticket is required, or other charge is made.

(3) "Person" includes an individual, partnership, corporation, association, *fraternal organization* or club.

(4) "Professional" is *an athlete* [~~a boxer or wrestler~~] who competes for a money prize, or other pecuniary gain.

(5) "Professional game" is a basketball, football, ice hockey, polo, rugby, soccer, tennis or other athletic competition in which a professional is a contestant.

(6) "Professional match" is a boxing, *karate, kick boxing,* sparring, or wrestling match or exhibition in which a professional is a contestant.

Section 46. KRS 229.021 is amended to read as follows:

Unless a license or permit has been granted by the commission, as provided in this chapter, no person shall:

(1) Engage in a professional *game or* match, or a fight for a bet or stakes;

(2) Act a second in a professional match, bear a challenge or the oral or written acceptance of a challenge for such match, make up or aid in making up the stakes for the match or assist in any way in the bringing on or conducting of *any game or* [~~the~~] match;

(3) Train or prepare, or assist another in training or preparing for such a *game or* match in this state;

(4) Voluntarily permit the use of any land owned, controlled or occupied by him for such a *game or* match. *If a license or permit has been granted by the commission, permission of the owner shall be by express written contract.*

Section 47. KRS 229.031 is amended to read as follows:

(1) Every person conducting a professional *game,* [~~boxing or wrestling~~] match or exhibition, other than those holding a permit under subsection (1) of KRS 229.061, shall, within twenty-four (24) hours after the termination of every *game,* match or exhibition, furnish to the commission a written report, verified by the person, if an individual, or by some officer, if a corporation or association, showing the number of tickets sold for the *game,* match or exhibition, the amount of the gross receipts from such sale and such other matters as the commission prescribes. He shall also, within the same period, pay to the commission a tax of five per cent (5%) of the gross receipts from the sale of all tickets to the *game,* match or exhibition.

(2) He shall also pay to the commission, as soon as possible, a tax of five per cent (5%) of the gross receipts from all other sources, direct or indirect, including but not by way of limitation the gross receipts from the sale, lease or other exploitation of broadcasting, television and motion picture rights of such contests. He shall also, prior to any such professional *game,* [~~boxing or wrestling~~] match or exhibition, file with the commission a copy of each contract involving compensation of the contestants and a copy of each contract under which he will receive, directly or indirectly, compensation from any source whatsoever. Any person making payments under any such contract shall promptly report to the commission the amount of any such payments.

(3) All taxes required to be paid by this section shall be computed on the gross receipts without any deduction whatsoever for commissions, brokerage, distribution fees, advertising or other expenses, charges or recoupments in respect thereto, exclusive of any federal excise taxes.

(4) Any person supplying radio, television or cable facilities for the broadcast or televising of any professional *game or* match shall, prior to the contest, notify the commission.

Section 48. KRS 229.041 is amended to read as follows:

Whenever a person fails to make the report within the time prescribed by KRS 229.031, or whenever the report is unsatisfactory to the commission, it may examine or cause to be examined the books and records of that person to ascertain and fix the total amount of its gross receipts for any *game,* match or exhibition and the amount of the tax due.

Section 49. KRS 229.051 is amended to read as follows:

Before a permit is granted to any person to hold a professional *game,* [~~boxing or a wrestling~~] match or exhibition, the applicant shall file with the commission a bond in the sum of five thousand dollars ($5,000) , to be approved as to form and the sufficiency of the sureties by the commission, conditioned for the payment of the tax imposed by KRS 229.031. Upon the approval of the bond, the commission shall issue to the applicant a certificate of filing and approval, which shall be filed by the applicant with the commission, with the application for the permit. No such permit shall be issued until such certificate has been filed.

Section 50. KRS 229.071 is amended to read as follows:

(1) No person shall conduct, or advertise a professional *game or* match without an annual license from the commission to conduct such *games or* matches within a specified area and a permit to hold the specific *game or* match and the accompanying program of events at a specified location on a specific date.

(2) If in the judgment of the commission the financial responsibility, experience, character and general fitness of an applicant, including in the case of corporations its officers and stockholders, are such that the participation of such applicant will be consistent with the public interest, convenience or necessity and with the best interests of *sports regulated by this chapter* [~~boxing or wrestling~~] generally and in conformity with the purposes of this chapter, the commission may grant an annual license in accordance with the provisions herein contained.

(3) The annual license fee shall be three hundred dollars ($300) where the professional *games or* matches are to be conducted within fifteen (15) miles of the city limits of a city or cities containing an aggregate population of two hundred thousand (200,000) or more and one hundred dollars ($100) elsewhere. Each such license shall expire twelve (12) months after the date of issue.

(4) No person may be issued an annual license unless he has been a resident of Kentucky for sixty (60) days prior to the issuance thereof, or in the case of a corporation, unless it has qualified to do business in the Commonwealth.

(5) In determining which applicant may be granted a permit to conduct a professional wrestling match the commission shall give preference to Kentucky residents and domestic corporations.

Section 51. KRS 229.081 is amended to read as follows:

No person shall participate in a professional *game or* match in any of the hereinbelow enumerated capacities without holding a license issued by the commission.

The fees for such licenses shall be:

Person	Fee
Announcer	$5.00
Auditor	1.00
Contestant	5.00
Doorman	1.00
Inspector	5.00
Judge (amateur)	1.00
Judge (professional)	5.00
Manager	5.00
Physician	5.00
Referee	25.00
Second	2.00
Ticket selling agent	1.00
Timekeeper	5.00
Trainer	5.00

Licenses issued to referees and physicians shall expire twelve (12) months from date of issue and those issued to other officials on December 31 of the year in which they are issued. The commission may fix a schedule establishing the compensation to be paid to officials for participating in a professional *game or* match. Such compensation shall be paid by the person conducting the *game or* match, and by no other person.

Section 52. KRS 229.131 is amended to read as follows:

Decisions may be rendered in any *professional game,* [~~boxing or wrestling~~] match or exhibition, permitted by this chapter, in the discretion of the commission and by such method as it by rule prescribes.

Section 53. KRS 229.141 is amended to read as follows:

All structures or parts of structures used, or intended to be used, for *professional games,* [~~boxing and wrestling~~] matches and exhibitions, shall be properly ventilated and provided with fire exits and fire escapes, if need be, and shall conform to the laws, ordinances and regulations pertaining to buildings in the city where situated.

Section 54. KRS 229.171 is amended to read as follows:

The commission shall have and hereby is vested with the sole direction, management, control and jurisdiction over all *basketball,* boxing, *football, ice hockey, karate, kick boxing, polo, rugby, soccer,* sparring and *tennis games,* [~~wrestling~~] matches or exhibitions, professional as well as amateur, to be conducted, held or given within the commonwealth, *except those conducted by institutions of elementary, secondary and higher education.* The commission is hereby given the sole control, authority and jurisdiction over all licenses to hold *such games,* [~~boxing, sparring or wrestling~~] matches or exhibitions for prizes or purses or where an admission fee is received, and over all licenses to any and all persons who participate in such *games,* [~~boxing, sparring or wrestling~~] matches or exhibitions.

Section 55. KRS 229.200 is amended to read as follows:

(1) The commission may suspend or revoke or refuse to renew or issue a license for the reason therein stated, that the licensee or applicant has, in the judgment of the commission, been guilty of an act detrimental to the interests of *the professional sports regulated by this chapter* [~~boxing or wrestling~~] generally or to the public interest, convenience or necessity, including, but not by way of limitation, the violation of any of the provisions of this chapter or any rule or regulation of the commission.

(2) Without limiting the discretion of the commission as provided in this chapter, the commission may suspend or revoke a license or refuse to renew or issue a license, if it shall find that the applicant, or any person who is a partner, agent, employe, stockholder or associate of the applicant, has been convicted of a crime in any jurisdiction, or is associating or consorting with any person who has or persons who have been convicted of a crime or crimes in any jurisdiction or jurisdictions, or is consorting or associating with or has consorted or associated with bookmakers, gamblers or persons of similar pursuits, or has himself engaged in similar pursuits, or is financially irresponsible, or has been guilty of or attempted any fraud or misrepresentation in connection with *the professional sports regulated by this chapter* [~~boxing or wrestling~~], or has violated or attempted to violate any law with respect *thereto* [~~to boxing or wrestling~~] in any jurisdiction or any rule, regulation or order of the commission, or shall have violated any rule of *professional sports* [~~boxing or wrestling~~] which shall have been approved or adopted by the commission, or has been guilty of or engaged in similar, related or like practices.

(3) Any licensee whose license has been suspended, may with the approval of the commission, elect to pay the commission a penalty which the commission may fix at an amount not in excess of five hundred dollars ($500). Such a payment, when received by the commission, shall have the effect of removing the suspension.

Section 56. KRS 229.240 is amended to read as follows:

All peace officers, on being informed or having reason to believe that a professional *game or* match that is not authorized under this chapter is about to take place, or that there is training or preparation for such a contest, in any place within their jurisdiction, shall suppress and prevent it. For this purpose any peace officer may enter any place where such contest is being held or will be held or where there is training or preparation for such a contest and may arrest without a warrant any person who does not submit satisfactory proof that he has whatever license or permit is required by this chapter.

SECTION 57. A NEW SECTION OF KRS CHAPTER 229 IS CREATED TO READ AS FOLLOWS:

(1) The first $100,000 in fees and charges collected by the Kentucky athletic commission shall be paid into the state treasury and credited to a separate revolving or trust and agency fund account established for the purpose of administrating the provisions of this chapter. The amount of fees and charges collected in excess of $100,000 shall be deposited to the credit of the general fund. The cost and expenses of administering the provision of this chapter, including compensation to members of the board and its officers and employes shall be paid out of the state treasury upon warrants of the secretary of the finance and administration cabinet according to law, provided that the total expense of administering these provisions shall not exceed the fees and other charges collected by the board and available in the revolving or trust and agency fund account of that commission, except that, in fiscal year 1984-85 such costs shall not exceed the fees and other charges collected by the commission and available in the revolving or trust and agency account plus any funds which are appropriated to the commission under the provisions of House Bill 474 of the 1984 session of the Kentucky general assembly.

(2) All fees and charges collected by the Kentucky athletic commission, up to a maximum of $100,000, shall be available for the administration of the provisions of this chapter, and for no other purpose.''

Floor Amendment No. 4 to **SB 352**, by Representative McBee:

Amend printed copy of **SB 352**, page 71, by inserting after line 3, the following:

"Section 45. KRS 346.010 is amended to read as follows:

The general assembly hereby declares that it serves a public purpose and is of benefit to the state to indemnify those needy *persons* [~~residents of the Commonwealth of Kentucky~~] who are innocent victims of criminal acts and who suffer bodily *or psychological* injury or death as a consequence thereof. Such persons or their dependents may thereby suffer disability, incur financial hardships and become dependent upon public assistance. To that end, it is the general assembly's intent that aid, care and support be provided by the state, as a matter of grace, for such victims of crime.

Section 46. KRS 346.020 is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Board" means the crime victims compensation board.

(2) "Claimant" means any of the following claiming compensation under this chapter: a victim, a dependent of a deceased victim, a third person other than a collateral source, or an authorized person acting on behalf of any of them.

(3) "Criminally injurious conduct" means conduct that occurs or is attempted in this jurisdiction, poses a substantial threat of personal injury or death, and is punishable by fine, imprisonment or death. Acts which, but for the insanity or mental irresponsibility or lack of capacity of the perpetrator, would constitute criminal conduct shall be deemed to be criminally injurious conduct. The operation of a motor vehicle, motorcycle, train, boat, aircraft or other vehicle in violation of law does not constitute a criminally injurious conduct unless the injury or death was intentionally inflicted.

(4) "Family," when used with reference to a person, shall mean:

(a) Any person related to such person within the third degree of consanguinity;

(b) Any person maintaining a sexual relationship with such person; or

(c) Any person residing in the same household with such person.

(5) "Victim" means a *needy person* [~~resident of this state or the resident of a reciprocal state,~~] who suffers personal injury or death from a criminal act in Kentucky as a result of:

(a) Criminally injurious conduct;

(b) A good faith effort to prevent criminally injurious conduct; or

(c) A good faith effort to apprehend a person reasonably suspected of engaging in criminally injurious conduct.

Section 47. KRS 346.050 is amended to read as follows:

(1) Except as provided in subsections (2) and (3) of this section, the following persons shall be eligible for awards pursuant to this chapter:

(a) A victim of criminally injurious conduct;

(b) A surviving spouse, parent or child of a victim of criminally injurious conduct who died as a direct result of such conduct;

(c) Any other person dependent for his principal support upon a victim of criminally injurious conduct who died as a direct result of such crime.

(2) A person who is criminally responsible for the crime upon which a claim is based or an accomplice of such person or a member of the family of such persons shall not be eligible to receive an award with respect to such claim, *except where the board determines, in a particular case, that the interest of justice so requires.*

(3) No compensation of any kind shall be awarded when injury occurred while the victim was confined in any state, county, urban county, or city jail, prison or other correctional facility, or any state institution maintained and operated by the department for human resources.

Section 48. KRS 346.060 is amended to read as follows:

(1) A claim may be filed by a person eligible to receive an award, as provided in KRS 346.050, or, if such person is a minor, by his parent or guardian.

(2) A claim must be filed by the claimant not later than one (1) year after the occurrence of the criminally injurious conduct upon which such claim is based, or not later than one (1) year after the death of the victim, *provided, however, that upon good cause shown, the board may extend the time for filing if, in a particular case, the interest of justice so requires.*

(3) Claims shall be filed in the office of the board in person or by mail. The board shall accept for filing all claims submitted by persons eligible under subsection (1) of this section and alleging the jurisdiction requirements set forth in this chapter and meeting the requirements as to form in the rules and regulations of the board.

(4) Upon filing of a claim pursuant to this chapter, the board shall promptly notify the commonwealth attorney or county attorney of the county wherein the crime is alleged to have occurred. If, within ten (10) days after such notification, such commonwealth attorney or county attorney advises the board that a criminal prosecution is pending upon the same alleged crime and requests that action by the board be deferred, the board shall defer all proceedings under this chapter until such time as such criminal prosecution has been concluded and shall so notify such commonwealth or county attorney and the claimant. When such criminal prosecution has been concluded such commonwealth or county attorney shall promptly so notify the board. Nothing in this section shall limit the authority of the board to grant emergency awards pursuant to KRS 346.120.

Section 49. KRS 346.130 is amended to read as follows:

(1) No award shall be made unless the board or board member, as the case may be, finds that:

(a) Criminally injurious conduct occurred;

(b) Such criminally injurious conduct resulted in personal physical *or psychological* injury to, or death of, the victim; and

(c) Police records show that such crime was promptly reported to the proper authorities; and in no case may an award be made where the police records show that such report was made more than forty-eight (48) hours after the occurrence of such crime unless the board for good cause shown, finds the delay to have been justified.

(2) The board upon finding that the claimant or victim has not fully cooperated with appropriate law enforcement agencies shall deny, reconsider, or reduce an award.

(3) [~~Any award made pursuant to this chapter shall exclude therefrom the initial one hundred dollars ($100) of losses incurred and shall be in an amount not exceeding out-of-pocket expenses, including indebtedness reasonably incurred for medical or other services necessary as a result of the injury upon which the claim is based, together with loss of earnings or support resulting from such injury. Provided, however, that any award made pursuant to this chapter to a victim sixty-five (65) years of age or older shall not exclude therefrom the initial one hundred dollars ($100) of losses incurred.~~

~~(4)~~] Any award made for loss of earnings or support shall, unless reduced pursuant to other provisions of this chapter be in an amount equal to the actual loss sustained; provided, however, that no such award shall exceed one hundred fifty dollars ($150) for each week of lost earnings or support. If there are two (2) or more persons entitled to an award as a result of the injury or death of a person which is the direct result of criminally injurious conduct the award shall be apportioned by the board among the claimants.

(4)[~~(5)~~] The board is authorized to set a reasonable limit for the payment of funeral and burial expenses which shall include funeral costs, a monument and grave plot. In no event shall an award for funeral expenses exceed twenty-five hundred dollars ($2,500).

(5)[~~(6)~~] Any award made under this chapter shall not exceed fifteen thousand dollars ($15,000).

Section 50. KRS 346.185 is amended to read as follows:

(1) There is established in the state treasury the "crime victims' compensation fund," hereinafter referred to as the "fund," to be administered by the crime victims' compensation board. In all cases in which defendants *plead or* are *found guilty of a crime as defined in KRS 500.080(2)* [~~given a sentence of imprisonment or are placed under the supervision of the state parole board or have been placed on probation or other form of conditional release, after an adjudication of guilty or after imposition of sentence, whether upon a plea of guilty or after trial~~], there shall be imposed as an additional cost the sum of ten dollars ($10.00) [~~for all offenses for which imprisonment may be imposed~~]. The clerk of the court shall collect the cost and forward it monthly to the state treasurer, to be deposited in the fund. Nothing herein shall be construed to limit the power of the court to order additional forms of restitution including public or charitable work or reparation to the victim, to the fund, or otherwise as authorized by law.

(2) The fund shall consist of moneys from the following: appropriations by the general assembly; the federal government; payments by the defendant pursuant to subsection (1) of this section and any other public or private source. Any unexpended balance remaining in the fund at the end of the biennium shall not lapse and be transferred to the general fund, but shall remain in the crime victims' compensation fund. Any funds not utilized by the board shall be used to provide assistance to programs for victims and the board shall allocate such funds to any agency providing services to victims. In the event there are insufficient funds in the fund to pay all claims in full, all claims shall be paid on a pro rata basis. If there are no moneys in the fund, then no claim shall be paid until moneys have again accumulated. In addition to payment of claims, moneys in the fund shall be used to pay all the necessary and proper expenses of the crime victims' compensation board.

(3) When judgment is entered against a defendant as provided in this section and each sum, or any part thereof, remains unpaid, there shall be withheld from any disbursement, payment, benefit, compensation, salary, or other transfer of money from the state of Kentucky to such defendant an amount equal to the unpaid amount of the judgment. The amount shall be paid to the crime victims' compensation

fund and satisfaction of the judgment shall be entered on the court record. Under no circumstances shall the general revenue fund be used to reimburse court costs or pay for judgment.

Section 51. KRS 346.070, Limitation on awards, is repealed."

Floor Amendment No. 2 to **SB 353,** by Representative Robinson:

Amend printed copy of **SB 353,** page 9, after line 20, by adding the following language:

"Section 3. KRS 242.127 is amended to read as follows:

(1) In any city of the *third or* fourth class in which prohibition is not in effect, an election may be held in the manner prescribed in KRS 242.010 to 242.040 and KRS 242.060 to 242.120 to take the sense of the people of the city as to the sale of distilled spirits or wine by the drink for consumption on the premises in the city.

(2) An election held pursuant to this section shall be city-wide.

Section 4. KRS 243.230 is amended to read as follows:

(1) Licenses to sell distilled spirits and wine by the drink for consumption on the premises may be issued only for premises located within cities of the first *or* [~~,~~] second [~~or third~~] class, or elsewhere in counties containing a city of the first *or* [~~,~~] second [~~or third~~] class if those counties maintain an adequate police force under KRS 70.540 and KRS 70.150 to 70.170.

(2) Notwithstanding any other provision of law, a special license to sell distilled spirits and wine by the drink for consumption on the premises may be issued for premises located within a city of the *third or* fourth class in which the majority of votes cast in the most recent election held pursuant to KRS 242.127 and 242.129 were in favor of the proposition voted upon provided the city has an adequate police force under KRS 95.710 and KRS 95.740 to 95.787.

(3) Licenses to sell distilled spirits or wine by the package may be issued only for premises located within incorporated cities, or elsewhere in counties containing a city of the first *or* [~~,~~] second [~~or third~~] class if those counties maintain an adequate police force under KRS 70.540 and 70.150 to 70.170.

(4) Notwithstanding subsection (3), the board may, after a field investigation, issue a license to sell distilled spirits and wine by the package at premises not located within any city if:

(a) Substantial aggregations of population would otherwise not have reasonable access to a licensed vendor;

(b) The premises to be licensed under this subsection shall be used exclusively for the sale of distilled spirits and wine by the package and shall not be used in any manner, in connection with a dance hall, roadhouse, restaurant, store or any other commercial enterprise, except as a drug store in which a registered pharmacist is employed; and

(c) The part of any premises to be licensed under this subsection which is available to the public shall not, except in the case of a drug store, exceed one hundred (100) square feet of floor space and shall not contain any chairs, benches, stools or similar furniture or fixtures.

(5) No retail package or drink license for the sale of distilled spirits or wine shall be issued for any premises used as or in connection with the operation of any business in which a substantial part of the commercial transaction consists of selling at retail staple groceries or gasoline and lubricating oil.

Floor Amendment No. 3 to **SB 353,** by Representative Perkins:

Amend printed copy of **SB 353,** page 9, after line 20, by adding the following new section:

"SECTION 3. A NEW SECTION OF KRS CHAPTER 242 IS CREATED TO READ AS FOLLOWS:

No provision in this chapter shall be construed to authorize a local option election in any territory other than a county as a whole or a city of the first four (4) classes with the sole exceptions being KRS 242.125 and 242.1292."

Floor Amendment No. 1 to **SB 357,** by Representative LeMaster:

Amend printed copy of **SB 357,** page 10, after line 3, by adding the following:

"SECTION 9. A NEW SECTION OF KRS CHAPTER 198A IS CREATED TO READ AS FOLLOWS:

Notwithstanding any authority granted in KRS Chapter 198A, the total outstanding bonded indebtedness of the corporation or other political subdivisions authorized by this chapter shall not exceed fifteen percent (15%) of the total bonded indebtedness of the Commonwealth of Kentucky.

And by renumbering the following sections accordingly; and

On page 16, line 11, by deleting subsection (2) in its entirety and substituting in lieu thereof:

"*(2) The corporation is hereby authorized to provide for the issuance of additional bonds in accordance with Sections 1 through 10 of this Act with the consent of a majority of the legislative program review and investigations committee of the Kentucky general assembly established as set forth in KRS 6.905. The legislative program review and investigations committee shall oversee in its entirety the bonding program herein set forth.*"

And on page 19, line 8, after "the" by deleting the remainder of the line; and

On page 19, line 9, by deleting "*by KRS 42.420*"; and by deleting the brackets and strike throughs;

And on page 19, line 10, by deleting the strike throughs and brackets;

And on page 19, line 16, by deleting "*interim joint committee on*" and substituting in lieu thereof "*legislative program review and investigations committee of the Kentucky general assembly*"; and

On page 19, line 17, by deleting "*banking and insurance*"; and

On line 24, by deleting "*As the cor-*"; and deleting all of lines 25 and 26 in their entirety; and

On page 20, by deleting lines 1 through 8 in their entirety and the following part of line 9 "*ical subdivisions within the state.*"

Floor Amendment No. 8 to **SB 361**, by Representative Crupper:

Amend printed copy of HCS to **SB 361**, page 25, line 26, after the number "*13*" and before the word "*of,*" by deleting the following: "*to 16*" and inserting in lieu thereof "*and 14*";

And on page 26, by deleting lines 13 and 14 in their entirety;

And on page 26, line 15 by deleting "*(d)*" and inserting "*(c)*" in lieu thereof;

And on page 27, by deleting lines 9 through 26 in their entirety;

And on page 28, lines 1 and 2 by deleting lines 1 and 2 in their entirety;

And on page 28, line 19, after the word "his" appears for the first time, by inserting an opening bracket before "and" and by placing a closing bracket after "staff's" and striking through the language between the brackets;

And on page 29, by deleting lines 12 through 16 and lines 21 through 26 in their entirety;

And on pages 30, 31, 32 and 33, by deleting pages 30, 31, 32 and 33 in their entirety;

And on page 34, by deleting lines 1 through 6 in their entirety;

And on page 35, by deleting lines 12 and 13 in their entirety;

And on pages 28, 29, 34 and 35, by renumbering Sections 17, 18, 20, 21, 22 and 23 to becomes Sections 15, 16, 17, 18, 19 and 20 respectively.

Floor Amendment No. 9 to **SB 361**, by Representative Moore:

Amend printed copy of HCS to **SB 361** on page 25, line 26, after the number "*13*" and before the word "*of,*" by deleting the following: "*to 16*" and inserting in lieu thereof "*and 14*";

And on page 26, by deleting lines 13 and 14 in their entirety;

And on page 26, line 15, by deleting "*(d)*" and inserting "*(c)*" in lieu thereof;

And on page 27, by deleting lines 9 through 26 in their entirety;

And on page 28, lines 1 and 2 by deleting lines 1 and 2 in their entirety;

And on page 28, line 19, after the word "his" appears for the first time, by inserting an opening bracket before "and" and by placing a closing bracket after "staff's" and striking through the language between the brackets'

And on page 29, by deleting lines 12 through 16 and lines 21 through 26 in their entirety;

And on pages 30, 31, 32 and 33, by deleting pages 30, 31, 32 and 33 in their entirety;

And on page 34, by deleting lines 1 through 6 in their entirety;

And on page 35, by deleting lines 12 and 13 in their entirety;

And on pages 28, 29, 34, and 35, by renumbering Sections 17, 18, 20, 21, 22 and 23 to become Sections 15, 16, 17, 18, 19 and 20 respectively.

Floor Amendment No. 1 to **SB 364**, by Representative Noe:

Amend printed copy of **SB 364**, page 4, after line 13, by adding the following:

SECTION 3. A NEW SECTION OF KRS 161.720 to 161.810 IS CREATED TO READ AS FOLLOWS:

The performance of all teachers shall be evaluated according to procedures developed by each school district board of education. Evaluation procedures shall comply with the following requirements:

(1) All evaluations shall be in writing on evaluation forms and under evaluation procedures developed by a committee composed of an equal number of persons who do not evaluate others and supervisory employes of the board. The evaluation forms and procedures shall be approved by the board of education on recommendation by the superintendent.

(2) All monitoring or observation of performance of a teacher shall be conducted openly and with full knowledge of the teacher.

(3) Persons conducting evaluations shall be supervisory employes of the board of education trained as evaluators and shall be certified and qualified in the grade level or course of instruction taught by the person being evaluated.

(4) Evaluation shall include reasonable periods of observation of teacher performance by the evaluator and the teacher shall be notified in advance of the dates and times of observations.

(5) The evaluator shall take into consideration and note on the evaluation form, any facts or circumstances that may adversely affect the performance of a teacher.

(6) Student test scores, student grades or the failure rate of students shall not be used to evaluate the performance of any teacher.

(7) Evaluations shall cite strengths and weaknesses of a teacher, shall contain positive and specific recommendations for remediation of any deficiencies noted and shall establish a plan where the person evaluated is given assistance for correction of any deficiencies. A reasonable period of time shall be allowed for correction of deficiencies.

(8) Deficiencies noted in an evaluation shall be specifically stated on the evaluation form and shall not be based upon factors not observed by the evaluator.

(9) Evaluation shall include a conference between the evaluator and the person evaluated. If the evaluator has cited deficiencies, a second conference must be held to determine if the recommendations for remediation have been followed.

(10) The person evaluated may take exception to any part of the evaluation by written reply. If differences between the evaluator and the person evaluated are not resolved, either may appeal to an unbiased panel of three (3) qualified persons appointed by the board of education. The panel shall hold a hearing and present its findings and conclusions to the board of education.

SECTION 4. A NEW SECTION OF KRS 161.720 TO 161.180 IS CREATED TO READ AS FOLLOWS:

(1) Procedures for evaluation of teachers in effect on December 31, 1983, shall be used in school

districts where a teachers' organization has negotiated an evaluation procedure with the board of education. If the negotiated evaluation procedure is substantially changed or eliminated by unilateral action of the board of education, the provisions of Section 1 of this Act shall become effective.

(2) Evaluation required by this Act, shall be conducted prior to a teacher receiving tenure and at least every five (5) years thereafter.

Floor Title Amendment to **SB 369**, by Representative Worthington:

Amend printed copy of **SB 369**, page 1, line "Title," to read as follows: "AN ACT relating to the management of low-level nuclear waste."

Floor Amendment No. 1 to **SB 369**, by Representative Worthington:

Amend printed copy of **SB 369**, by deleting everything after the enacting clause and inserting the following:

"SECTION 1. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO READ AS FOLLOWS:

The general assembly finds that the Low-Level Radioactive Waste Policy Act passed by the United States Congress in 1980 placed the responsibility on each state to provide for the disposal of low-level radioactive waste generated within its borders. The general assembly further finds that the University of Kentucky and the University of Louisville should be commended for the actions they have taken to reduce the low-level radioactive waste they produce, from a high in 1980 of approximately 4321 cubic feet to a projected 280 cubic feet in 1984. The general assembly also finds that the University of Kentucky and the University of Louisville, generators in 1979 of approximately 97% of the low-level radioactive waste in Kentucky, will utilize short-term on-site storage, compaction, and incineration to reduce their waste streams by 90% and that the remaining Kentucky radiation licensees of low-level radioactive waste in Kentucky cannot economically employ compaction and incineration to reduce their waste. Lastly, the general assembly finds that Kentucky's total projected waste of 444 cubic feet (or 61 drums of 55 gallon capacity) for 1985 could be further reduced and the waste stream sources limited if Kentucky radiation licensees could consolidate their waste stream with that of the universities. Therefore it is the purpose of this Act to establish the policy of the Commonwealth to meet the congressional mandate in a manner which is both fiscally responsible and protects the health, safety and welfare of all Kentucky citizens.

SECTION 2. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO READ AS FOLLOWS:

In order that Kentucky comply with the congressional mandate that Kentucky assume the responsibility to provide for the disposal of Kentucky generated low-level radioactive waste, the policy of Kentucky to manage and dispose of its low-level radioactive waste shall incorporate the following:

(a) The University of Kentucky and the University of Louisville are directed to accept up to 200 cubic feet per year of Kentucky generated low-level radioactive waste from Kentucky licensees of radioactive materials and the universities are authorized to issue regulations concerning how the waste will be packaged and when it will be accepted;

(b) An engineered storage/disposal structure shall be designed and built to provide safe storage of low-level radioactive waste for several decades but allowing for retrieval of the waste for final disposal;

(c) The university facilities and any engineered storage/disposal facility shall accept only low-level radioactive waste generated in Kentucky;

(d) That the Commonwealth continue to pursue a Maxey Flats nuclear waste disposal site decommissioning plan as specified in KRS 211.898;

(e) The Commonwealth continue to pursue an acceptable interstate compact which Kentucky may join without being considered for a waste disposal site until Maxey Flats is decommissioned and the possibility that Kentucky may contract as an individual state for disposal at an approved long term disposal site; and

(f) That the funds for building an engineered storage/disposal structure, estimated to cost $119,860, be taken from the appropriation available for Maxey Flats as long as the public health and safety at Maxey Flats is not jeopardized."

Floor Title Amendment to **SB 371**, by Representative Moberly:

Amend printed copy of **SB 371**, page 1, line "Title" by amending the title to read as follows: "AN ACT relating to energy research and demonstration and energy related environmental emergencies."

Floor Amendment No. 1 to **SB 371**, by Representative Moberly:

Amend printed copy of **SB 371**, page 2, line 5, by inserting after the date "June 30, 1984." the following:

"SECTION 6. A NEW SECTION OF KRS CHAPTER 224 IS CREATED TO READ AS FOLLOWS:

(1) Whenever an environmental emergency, as defined in KRS 224.877(1)(d), occurs, any costs incurred by state agencies, county and city governments, special districts, and urban-county governments shall be recoverable from any person liable therefore. Such liability shall be strict, joint and several. Costs shall include, but not be limited to, damages, operational expenses, overhead, and any other expense attributable to the emergency and all of which whether direct or indirect costs.

(2) The cabinet is authorized to seek collection of the costs. The cabinet shall act as the coordinating agency for all state agencies, county and city governments, special districts and urban-county governments, which have incurred costs from the environmental emergency. The cabinet is authorized to investigate all claims and to seek recovery of costs on behalf of all state agencies, county and city governments, special districts and urban-county governments.

(3) The cabinet is authorized to recover the costs by filing suit in Franklin Circuit Court which shall have jurisdiction and venue over such actions. The cabinet shall be reimbursed court costs including any lay or expert witness fee or expense and reasonable attorney's fees in any action in which it is the prevailing party against any defendant found liable for costs."

Floor Title Amendment No. 2 to **SB 371**, by Representative Stumbo:

Amend printed copy of **SB 371**, by amending the title to read: "AN ACT relating to state-funded facilities."

Floor Amendment No. 2 to **SB 371**, by Representative Stumbo:

Amend printed copy of **SB 371**, page 2, line 6, by adding the following:

"Section 2. KRS 311.715 is amended to read as follows:

No public funds shall be used for the purpose of obtaining an abortion or paying for the performance of an abortion. *Public medical facilities may be used for the purpose of conducting research into or the performance of in-vitro fertilization as long as such procedures do not result in the intentional destruction of a human embryo.* [~~No public funds shall be used for the purpose of conducting research into or for the performance of in-vitro fertilization, which is a procedure involving the destruction of live human fetuses.~~] For purposes of this section, "public funds" means any money of the Commonwealth of Kentucky, any department, agency or instrumentality thereof, or any money of any county, city, agency or instrumentality thereof or any money of any other political subdivision of the Commonwealth, agency or instrumentality thereof. Nothing in this section shall be deemed to deprive a woman of all appropriate medical care necessary to prevent her physical death. *Nothing in this section shall be construed to allow public funds to pay for in-vitro fertilization procedures performed on any individual patient.*"

Floor Amendment No. 4 to **SB 380**, by Representative Reinhardt:

Amend printed copy of **SB 380**, page 35, line 24, by adding the following new section:

Section 27. The City of Highland Heights, in Campbell County, is transferred from the fifth to the fourth class.

Floor Title Amendment to **SB 391**, by Representative Perkins:

Amend printed copy of **SB 391** by amending the title to read as follows: "AN ACT relating to corporations."

Floor Amendment No. 1 to **SB 391**, by Representative Perkins:

Amend printed copy of **SB 391**, page 12, line 14, by adding the following section:

"SECTION 7. A NEW SECTION OF KRS CHAPTER 271A IS CREATED TO READ AS FOLLOWS:

Proceedings under subsection (1) of KRS 271A.475 and under subsection (1) of KRS 273.330 may also *be brought by an agency of the Commonwealth when it is established that any corporation has abused or misused government funds made available under KRS Chapter 205.*"

Floor Title Amendment to **SB 404,** by Representative Stumbo:

Amend printed copy of **SB 404,** by amending the title to read: "AN ACT relating to public institutions or agencies."

Floor Amendment No. 1 to **SB 404,** by Representative Turner:

Amend printed copy of **SB 404,** page 69, after line 15, by adding the following language and renumbering sections accordingly:

"Section 28. KRS 132.645 is amended to read as follows:

(1) The property valuation administrator of each county shall be paid from the State Treasury each month as provided in KRS 132.590.

(2) Deputies, other authorized personnel, and other authorized expenditures of the property valuation administrator's office shall be paid from the State Treasury monthly as approved by the Department of Revenue as provided in KRS 132.590 (2).

(3) As an elected county official who performs vital services for the state, the property valuation administrator of each county shall receive an annual expense allowance of three thousand six hundred dollars ($3,600) to be paid from the state treasury in monthly installments of three hundred dollars ($300). This expense allowance shall be in addition to other lawful expense payments, shall be in payment of operating expenses of the office, and shall not be considered as part of the property valuation administrator's compensation. Property valuation administrators shall not be required to keep records verifying expenditures from this expense allowance.

Floor AMendment No. 2 to **SB 404,** by Representative Hancock:

Amend printed copy of **SB 404,** page 17, line 18, by deleting the words "*Gross annual*" and inserting in lieu thereof the word "*Base*"; and

On page 17, line 18, by deleting the words "*for the pur-*"; and

On page 17, by deleting lines 19 through 22 in their entirety and by inserting in lieu thereof the following:

"*means the compensation to which an employee is entitled under the salary schedules adopted pursuant to the provisions of this Act. Base salary or wages shall be adjusted as provided under the provisions of Section 23 of this Act.*"; and

On page 58, line 24, by placing an opening bracket before the word "gross" and by placing a closing bracket after the word "annual" and by striking through these words; and

On page 58, line 24, by inserting after the word "the" the word "*base*"; and

On page 58, line 26, by inserting the word "*base*" before the word "*salary*"; and

On page 58, line 26, by inserting the words "*or wages*" after the word "*salary*"; and

On page 59, line 1, by inserting the following language after the period following the word "*increment*":

"*When a promotional or performance increment is granted an employe, the employe's base salary or wages shall be increased by the amount of such increment.*"

Floor Amendment No. 3 to **SB 404,** by Representative Stumbo:

Amend printed copy of **SB 404,** page 69, line 16, by inserting after "Section 39." the following:

"No public funds shall be used for the purpose of obtaining an abortion or paying for the performance of an abortion. *Public medical facilities may be used for the purpose of conducting research into or the* *performance of in-vitro fertilization as long as such procedures do not result in the intentional destruction of a human embryo.* [~~No public funds shall be used for the purpose of conducting research into or for the performance of in-vitro fertilization, which is a procedure involving the destruction of live human fetuses.~~] For purposes of this section, "public funds" means any money of the Commonwealth of Kentucky, any department, agency or instrumentality thereof, or any money of any county, city, agency or instrumentality thereof or any money of any other political subdivision of the Commonwealth, agency or instrumentality thereof. Nothing in this section shall be deemed to deprive a woman of all appropriate medical care necessary to prevent her physical death. *Nothing in this section shall be construed to allow public funds to pay for in-vitro fertilization procedures performed on any individual patient.*

Section 31.".

Floor Amendment No. 2 to **HB 861**, by Representative Barrows:

Amend printed copy of **HB 861**, page 9, line 11, by inserting *#1 and* after "Nicholasville" and before "#2" the first time those words appear on line 11; and

On page 9, lines 14 and 15, by bracketing and striking through "Lexington-Blue Grass Army Depot and in the"; and

On page 9, line 17, by inserting "*, Middletown*" before "and"; and

On page 24, between lines 9 and 10, by inserting the following:

"Section 2. KRS 6.041 is amended to read as follows:
Any reference in KRS 6.011 and 6.031 to a census unit, city, county, road, highway or stream means that census unit, city, county, road, highway or stream as its boundaries or location existed on January 1, 1980. Any reference to a ward, commissioner's district or precinct means that ward, commissioner's district or precinct as its boundaries existed on July 15, 1980, *except that references to the Madison County election precincts of Middletown and Menales Todd shall mean those precincts as their boundaries existed on January 1, 1984.*"; and

On page 24. line 10, by changing "2" to "3."

Adjournment

Representative LeMaster moved that the House adjourn until 10 a.m., Wednesday, March 28, 1984.

On the roll call the vote was yeas 65-Allen, Bendl, Blandford, Blevins, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Craddock, Crupper, Curd, Cyrus, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Fryman, Gedling, Hancock, Harper, Hines, Holbrook, Holloway, R. Jones, Kenton, Layman, Lefevers, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, Meyer, Moberly, Noland, O'Brien, Pearman, Perkins, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Robinson, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington. Nays 3-Bronger, Freibert, Heleringer.

The motion to adjourn was adopted.

WEDNESDAY, MARCH 28, 1984

FIFTY-SIXTH LEGISLATIVE DAY

The House was called to order by Speaker Richardson.

Prayer by Father William Neuhaus, St Pius X, Edgewood, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present.

Representative Brinkley moved that the reading of the Journal of March 27, 1984, be dispensed with and the same approved. Agreed.

Senate Message

Announcing passage of **HB 857** with Senate Amendments, **HB 860** with Senate Committee Substitute and Senate Amendment, **HB 888** with Senate Amendment, **HB 932** with Senate Committee Substitute and Senate Amendment, **HB 75, HB 701, HB 765, HB 900, HB 901, HB 987,** and **HB 1001.**

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bills and Resolutions:

Transportation: **HR 153, HR 154, HR 155.**

Calendar

SB 311, SB 312, SB 384, SB 388, SB 391, SB 416, and **SB 123** taken from the Calendar and ordered read at length for the second time. Representative LeMaster moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Orders of the Day

SB 10, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Little moved the adoption of the Committee Substitute to **SB 10.** Agreed.

Representative Little moved that **SB 10,** by way of Committee Substitute, be passed.

On the roll call the vote was yeas 50-Arnold, Bendl, Bennett, Blevins, Brinkley, Bronger, Burch, L. Clark, Clarke, Cowan, Craddock, Crupper, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Freibert, Gray, Hancock, Handy, Hines, R. Jones, T. Jones, LeMaster, Lile, Little, Lundergan, Maggard, Mann, McBee, Meyer, Nett, Noe, Noland, O'Brien, Perkins, Petty, Rapier, Rattliff, Richards, B. Richardson, Robinson, B. Smith, F. Smith, Stumbo, Thomas, White, Worthington, Yates. Nays 38-Allen, Barrows, Blandford, Brown, Caldwell, P. Clark, Cline, Curd, Ellington, Endicott, Farrow, Ford, Foster, Fryman, Gedling, Guenthner, Harper, Head, Heleringer, Holbrook, Holloway, Johnson, Layman, Lefevers, List, McElroy, McNutt, Moberly, Moore, Overstreet, Patrick, Pearman, Reinhardt, Stone, Thomason, Todd, Turner, Van Horn.

SB 10, by way of Committee Substitute was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 10,** by way of Committee Substitute, was passed be reconsidered and said motion be placed on the table. Agreed.

Representative LeMaster moved that **HB 809** be recommitted to the Committee on Banking and Insurance. Agreed.

SB 45 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Barrows moved that **SB 45** be passed.

On the roll call the vote was yeas 85-Allen, Arnold, Barrows, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, L. Clark, P. Clark, Cline, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noland, O'Brien, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

SB 45 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 45** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 157 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved that **SB 157** be passed.

On the roll call the vote was yeas 56-Barrows, Bendl, Blandford, Blevins, Bronger, Burch, Burnette, Caldwell, P. Clark, Cowan, Craddock, Crupper, Curd, Cyrus, Donnermeyer, Dunn, Ford, Gedling, Hancock, Handy, Harper, Head, R. Jones, T. Jones, Kenton, LeMaster, List, Little, Lundergan, Maggard, McBee, McElroy, Meyer, Moore, Morris, Nett, Noe, O'Brien, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Seum, B. Smith, F. Smith, Stumbo, Thomas, White, Worthington, Yates. Nays 29-Allen, Brown, L. Clark, Clarke, Cline, Dawahare, Ellington, Endicott, Farrow, Freibert, Fryman, Gray, Heleringer, Holbrook, Holloway, Johnson, Layman Lefevers, Lile, Mann, McNutt, Moberly, Noland, Overstreet, Patrick, Robinson, Todd, Turner, Van Horn.

SB 157 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 157** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 401 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative List moved that **SB 401** be passed.

On the roll call the vote was yeas 66-Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Craddock, Crupper, Dawahare, Donnermeyer, Dunn, Ellington, Farrow, Freibert, Hancock, Handy, Head, Heleringer, Hines, R. Jones, T. Jones, Kenton, Kidd, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, O'Brien, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Worthington, Yates. Nays 27-Allen, Brown, Cline, Curd, Cyrus, Endicott, Ford, Foster, Fryman, Gedling, Guenthner, Harper, Holbrook, Holloway, Johnson, Layman, Lefevers, Moore, Noland, Overstreet, Patrick, Pearman, Rattliff, Robinson, Todd, Turner, White.

SB 401 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 401** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 135 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Hines moved that **SB 135** be passed.

On the roll call the vote was yeas 83-Allen, Barrows, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Burch, Burnette, Caldwell, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Ford, Foster, Fryman, Gedling, Gray, Hancock, Handy, Head, Hines, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 9-Clarke, Ellington, Freibert, Harper, Holbrook, Johnson, Layman, Patrick, Rattliff.

SB 135 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 135** was passed be reconsidered and said motion be placed on the table. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 74, SB 185, SB 265, SB 303,** and **SB 364** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time-10:45 a.m.)

Orders of the Day (continued)

Representative LeMaster moved that the rules be suspended to allow a motion. Agreed.

Representative Little moved that Floor Amendment No. 2 to the Committee Substitute to **SB 314** be withdrawn. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 75, HB 659, HB 701, HB 765, HB 826, HB 900, HB 901, HB 987, HB 1001, HB 1006,** and **HJR 72** had been examined and found correctly enrolled. Said Bills and Resolutions read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 10:53 a.m.)

HB 75, HB 659, HB 701, HB 765, HB 826, HB 900, HB 901, HB 987, HB 1001, HB 1006, and **HJR 72** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Orders of the Day (continued)

SB 314, with Committee Substitute and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Noe moved the adoption of the Committee Substitute to **SB 314.** Agreed.

Representative Noe moved that **SB 314,** by way of Committee Substitute, be passed.

Representative Hancock moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **SB 314**. Agreed.

On the roll call the vote was yeas 91-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, B. Richardson, P. Richardson, Riner, Robinson, Seum, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 1-Clarke.

SB 314, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 314**, by way of Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 124, with Committee Substitute, Committee Amendment, and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clarke moved the adoption of the Committee Substitute to **SB 124**. Agreed.

Representative Clarke moved that **SB 124**, by way of Committee Substitute, be passed.

Representative Robinson moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **SB 124**.

Representative Clark inquired whether Floor Amendment was germane to **SB 124**.

The Chair ruled Floor Amendment No. 1 to **SB 124** was not germane.

Representative Robinson moved the adoption of the Floor Title Amendment No. 1 to **SB 124**.

Representative Clark inquired whether the motion to adopt Floor Title Amendment No. 1 to **SB 124** was out of order at this point.

The Chair ruled the motion was in order.

Representative Robinson moved the adoption of the Floor Title Amendment No. 1 to the Committee Substitute to **SB 124**. Agreed.

Representative Robinson moved the adoption of the Floor Amendment No. 1 to the Committee Substitute to **SB 124**.

Representative Noe inquired whether Floor Amendment No. 1 to the Committee Substitute to **SB 124** was germane.

The Chair ruled Floor Amendment No. 1 to the Committee Substitute to **SB 124** was not germane.

On the roll call the vote was yeas 58-Barrows, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Caldwell, Clarke, Cline, Cowan, Craddock, Crupper, Cyrus, Dawahare, Deskins, Donnermeyer, Ellington, Farrow, Gray, Hancock, Handy, Harper, Hines, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, Meyer, Moberly, Nett, Noe, Perkins, Petty, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Worthington, Yates. Nays 33-Allen, Bennett, Burch, Burnette, L. Clark, P. Clark, Curd, Endicott, Ford, Freibert, Fryman, Gedling, Guenthner, Head, Heleringer, Holbrook, Holloway, Johnson, Layman, Lile, McNutt, Moore, Noland, O'Brien, Overstreet, Patrick, Pearman, Priddy, Riner, Robinson, Todd, Turner, Van Horn.

SB 124, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 124,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 208 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Rapier moved that **SB 208** be passed.

On the roll call the vote was yeas 95-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

SB 208 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 208** was passed be reconsidered and said motion be placed on the table. Agreed.

HR 104, with Committee Substitute and Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Bennett moved the adoption of the Committee Substitute to **HR 104.** Agreed.

Representative Bennett moved the adoption of the Committee Title Amendment to **HR 104.** Agreed.

Representative Bennett moved that **HR 104,** by way of Committee Substitute as amended, be passed.

HR 104, by way of Committee Substitute as amended, was adopted by voice vote.

SB 19, with Committee Amendment and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Richards moved the adoption of the Committee Amendment No. 1 to **SB 19.** Agreed.

Representative Richards moved the adoption of the Committee Amendment No. 2 to **SB 19.** Agreed.

Representative Richards moved the adoption of the Committee Amendment No. 3 to **SB 19.** Agreed.

Representative Richards moved that **SB 19,** as amended, be passed.

On the roll call the vote was yeas 94-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner. Van Horn, White, Worthington, Yates. Nays 0.

SB 19, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 19,** as amended, was passed be reconsidered

and said motion be placed on the table. Agreed.

SB 156, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved the adoption of the Committee Amendment No. 1 to **SB 156**. Agreed.

Representative LeMaster moved that **SB 156**, as amended, be passed.

On the roll call the vote was yeas 85-Allen, Bendl, Bennett, Blandford, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Guenthner, Hancock, Handy, Harper, Hines, Holbrook, Holloway, Johnson, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, White, Worthington, Yates. Nays 6-Burnette, Endicott, Head, Heleringer, B. Smith, Turner.

SB 156, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 156**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 205 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Harper moved that **SB 205** be passed.

On the roll call the vote was yeas 48-Arnold, Barrows, Bendl, Blandford, Blevins, Brinkley, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Crupper, Curd, Ellington, Foster, Freibert, Gedling, Gray, Guenthner, Harper, Head, Heleringer, Holbrook, Johnson, R. Jones, T. Jones, Kenton, LeMaster, Lile, List, Long, Lundergan, Mann, McElroy, Meyer, Moberly, Nett, Noe, Petty, Rapier, Rattliff, Reinhardt, Richards, B. Smith, F. Smith, Thomas, Thomason, Worthington. Nays 41-Allen, Bennett, Bronger, Brown, Burch, Cline, Craddock, Dawahare, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Ford, Fryman, Hancock, Holloway, Kidd, Layman, Lefevers, Maggard, McBee, McNutt, Moore, Morris, Noland, O'Brien, Overstreet, Pearman, Perkins, Priddy, P. Richardson, Riner, Robinson, Seum, Stone, Stumbo, Todd, Turner, Van Horn, White, Yates.

SB 205 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 205** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 249 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Meyer moved that **SB 249** be passed.

On the roll call the vote was yeas 89-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, T. Jones, Kenton, Kidd, Layman, Lefevers, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, Worthington, Yates. Nays 0.

SB 249 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 249** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 161 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved that **SB 161** be passed.

On the roll call the vote was yeas 85-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Guenthner, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, White, Worthington. Nays 1-Hancock.

SB 161 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 161** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 287, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cowan moved that **SB 287** be passed.

Representative Craddock moved the adoption of the Floor Amendment No. 1 to **SB 287.** Agreed.

Representative Cowan moved that **SB 287,** as amended, be passed.

On the roll call the vote was yeas 96-Allen, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

SB 287, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 287,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 162 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved that **SB 162** be passed.

On the roll call the vote was yeas 70-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Donnermeyer, Dunn, Ellington, Ford, Foster, Gedling, Gray, Hancock, Handy, Harper, Head, Hines, Holloway, R. Jones, T. Jones, Kenton, LeMaster, List, Little, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, O'Brien, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomason, Todd, White, Worthington, Yates. Nays 23-Allen, Clarke, Endicott, Farrow, Freibert, Fryman, Guenthner, Heleringer, Holbrook, Johnson, Kidd, Layman, Lefevers, Lile, Mann, Moore, Noland, Overstreet, Patrick, Robinson, Thomas, Turner, Van Horn.

SB 162 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 162** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 159 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved that **SB 159** be passed.

On the roll call the vote was yeas 72-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Brown, Bruce, Burch, Burnette, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Deskins, Donnermeyer, Dunn, Ellington, Foster, Freibert, Gedling, Gray, Hancock, Handy, Harper, Head, Hines, Holbrook, R. Jones, T. Jones, Kenton, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McNutt,Meyer, Moberly, Moore, Morris, Nett, Noe, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, White, Worthington, Yates. Nays 20-Allen, Bronger, Caldwell, Clarke, Dawahare, Endicott, Farrow, Ford, Guenthner, Heleringer, Johnson, Kidd, Layman, Noland, Patrick, Reinhardt, Robinson, Todd, Turner, Van Horn.

SB 159 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 159** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 164 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved that **SB 164** be passed.

On the roll call the vote was yeas 77-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Ford, Foster, Fryman, Gedling, Gray, Hancock, Handy, Head, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Lefevers, LeMaster, Lile, List, Long, Lundergan, Maggard, McBee, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, White, Worthington, Yates. Nays 15-Allen, Barrows, Caldwell, Clarke, Dawahare, Endicott, Freibert, Guenthner, Harper, Heleringer, Kidd, Little, Mann, Patrick, Van Horn.

SB 164 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 164** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 145 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Rapier moved that **SB 145** be passed.

On the roll call the vote was yeas 84-Allen, Arnold, Bendl, Bennett, Blandford, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R.

Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, McBee, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noland, O'Brien, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, Yates. Nays 7-Barrows, Deskins, Guenthner, Mann, Overstreet, Patrick, Rattliff.

SB 145 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 145** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 165 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved that **SB 165** be passed.

On the roll call the vote was yeas 73-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Curd, Deskins, Donnermeyer, Dunn, Ellington, Ford, Freibert, Fryman, Gray, Hancock, Handy, Head, Hines, Holloway, Johnson, R. Jones, T. Jones, Kenton, Lefevers, LeMaster, Lile, List, Long, Lundergan, Maggard, Mann, McBee, McNutt, Meyer, Moberly, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomason, Todd, Turner, White, Worthington, Yates. Nays 16-Allen, Caldwell, Dawahare, Endicott, Farrow, Gedling, Guenthner, Harper, Heleringer, Holbrook, Kidd, Moore, Morris, Patrick, Thomas, Van Horn.

SB 165 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 165** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 267 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Rapier moved that **SB 267** be passed.

On the roll call the vote was yeas 75-Arnold, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Dawahare, Donnermeyer, Dunn, Endicott, Ford, Fryman, Gedling, Gray, Hancock, Handy, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Lefevers, LeMaster, Lile, List, Little, Lundergan, Maggard, Mann, McBee, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomason, Todd, Van Horn, White, Worthington, Yates. Nays 18-Allen, Bennett, Caldwell, Ellington, Farrow, Foster, Freibert, Guenthner, Harper, Heleringer, Kidd, Layman, Long, McNutt, Moore, Patrick, Thomas, Turner.

SB 267 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 267** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 179 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved that **SB 179** be passed.

On the roll call the vote was yeas 89-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, White, Worthington, Yates. Nays 5-Allen, Fryman, Guenthner, Kidd, Turner.

SB 179 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 179** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 67, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Moore moved that **SB 67** be passed.

Representative Worthington moved the adoption of the Floor Amendment No. 1 to **SB 67**.

Representative Moore inquired whether Floor Amendment No. 1 was germane to **SB 67**.

The Chair ruled Floor Amendment No. 1 was not germane to **SB 67**.

On the roll call the vote was yeas 71-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Clapp, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Fryman, Gedling, Hancock, Handy, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, List, Long, Lundergan, Maggard, Mann, McBee, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, White, Worthington, Yates. Nays 16-Allen, Bruce, Caldwell, L. Clark, P. Clark, Ellington, Endicott, Ford, Freibert, Guenthner, Harper, McNutt, O'Brien, B. Smith, Turner, Van Horn.

SB 67 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 67** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 221, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Morris moved that **SB 221** be passed.

Representative Van Horn moved the adoption of the Floor Title Amendment to **SB 221**. Rejected.

Representative Van Horn moved the adoption of Floor Amendment No. 1 to **SB 221**.

Representative P. Richardson inquired whether Floor Amendment No. 1 was germane to **SB 221**.

The Chair ruled Floor Amendment No. 1 was not germane to **SB 221**.

Representative Morris moved that **SB 221** be passed.

On the roll call the vote was yeas 47-Allen, Arnold, Blandford, Blevins, Brinkley, Bruce, Burnette, Caldwell, Clapp, Cowan, Crupper, Curd, Dawahare, Dunn, Endicott, Foster, Freibert, Gedling, Guenthner, Harper, Heleringer, Holbrook, Holloway, R. Jones, Kenton, Layman, LeMaster, List, Long, Lundergan, McBee, McNutt, Meyer, Morris, Nett, Overstreet, Pearman, Perkins, Petty, Reinhardt, Richards, B. Richardson, P. Richardson, B. Smith, Stumbo, Thomason, Turner. Nays 43-Barrows, Bendl, Bennett, Bronger, Burch, L. Clark, P. Clark, Cline, Cyrus, Deskins, Donnermeyer, Farrow, Ford, Fryman, Gray, Hancock, Handy, Head, Hines, Johnson, T. Jones, Kidd, Lefevers, Lile, Little, Maggard, Mann, Moberly, Moore, Noe, O'Brien, Patrick, Rattliff, Riner, Robinson, Seum, F. Smith, Stone, Thomas, Van Horn, White, Worthington, Yates.

SB 221 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 221** was passed be reconsidered and said motion be placed on the table. Agreed.

Senate Message

Announcing passage of **HB 25** with Senate Amendment, **HB 177** with Senate Amendments, **HB 749** with Senate Amendment, **HB 87, HB 655, HB 682, HB 736, HJR 7,** and **HJR 10.**

Recess

Representative LeMaster moved that the House recess until 1:15 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day (continued)

SCR 56 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Brinkley moved that **SCR 56** be passed.

On the roll call the vote was yeas 80-Allen, Arnold, Bendl, Bennett, Blandford, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Clapp, L. Clark, Clarke, Cline, Cowan, Crupper, Curd, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Nett, O'Brien, Overstreet, Patrick, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, B. Smith, F. Smith, Stone, Thomason, Todd, Van Horn, White, Worthington. Nays 1-Pearman.

SCR 56 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SCR 56** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 180 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved that **SB 180** be passed.

On the roll call the vote was yeas 71-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, Cline, Cowan, Craddock, Crupper, Curd, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Ford, Foster, Fryman, Gray, Hancock, Harper, Head, Hines, Holbrook, Holloway, Johnson, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Nett, O'Brien, Overstreet, Petty, Priddy, Rapier, Rattliff, Reinhardt, B. Richardson, P. Richardson, Robinson, B. Smith, F. Smith, Stone, Thomason, Todd, Turner, White, Worthington. Nays 8-Allen, Endicott, Gedling, Guenthner, Heleringer, Patrick, Pearman, Van Horn.

SB 180 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 180** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 252 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Yates moved that **SB 252** be passed.

On the roll call the vote was yeas 81-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, Clarke, Cowan, Craddock, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Holbrook, Holloway, Johnson, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noland, O'Brien, Overstreet, Pearman, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, Stone, Thomason, Todd, Turner, White, Worthington, Yates. Nays 3-Cline, Dawahare, Van Horn.

SB 252 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 252** was passed be reconsidered and said motion be placed on the table. Agreed.

Representative Farrow moved that Floor Amendment No. 1 to **SB 202** be withdrawn. Agreed.

SB 202 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Richards moved that **SB 202** be passed.

On the roll call the vote was yeas 78-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Dawahare, Deskins, Donnermeyer, Dunn, Farrow, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, T. Jones, Kenton, Kidd, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, O'Brien, Pearman, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, B. Smith, F. Smith, Thomas, Thomason, Van Horn, Williams, Worthington, Yates. Nays 19-Allen, Brown, Ellington, Endicott, Ford, Fryman, Layman, Lefevers, Moore, Noland, Overstreet, Patrick, Perkins, B. Richardson, Robinson, Stumbo, Todd, Turner, White.

SB 202 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 202** was passed be reconsidered and said motion be placed on the table. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 132, SB 300,** and **SB 330** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time -1:55 p.m.)

Orders of the Day (continued)

SB 41, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Deskins moved that **SB 41** be passed.

On the roll call the vote was yeas 78-Arnold, Bennett, Blandford, Blevins, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Cline, Cowan, Crupper, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Kenton, Kidd, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Noe, Noland, O'Brien, Overstreet, Perkins, Petty, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Van Horn, White, Williams, Worthington, Yates. Nays 5-Allen, Barrows, Clarke, Curd, Turner.

SB 41 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 41** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 379, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Richards moved the adoption of the Committee Substitute to **SB 379.** Agreed.

Representative Richards moved that **SB 379,** by way of Committee Substitue, be passed.

On the roll call the vote was yeas 80-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Endicott, Foster, Freibert, Gedling, Gray, Guenthner, Handy, Harper, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Van Horn, White, Williams, Worthington, Yates. Nays 15-Allen, Ellington, Farrow, Ford, Fryman, Hancock, Layman, Little, Patrick, Pearman, Rattliff, B. Richardson, P. Richardson, Todd, Turner.

SB 379, by way of Committee Substitute, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 379,** by way of Committee Substitute, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 414 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved that **SB 414** be passed.

On the roll call the vote was yeas 80-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Hines, Holbrook, R. Jones, Kenton, Lefevers, LeMaster, Lile, Little, Long, Lundergan, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 5-Allen, Guenthner, Heleringer, Kidd, Mann.

SB 414 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 414** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 316 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Johnson moved that **SB 316** be passed.

On the roll call the vote was yeas 92-Allen, Arnold, Barrows, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, Kidd, Layman, Lefevers, LeMaster, Lile, List, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 1-Bendl.

SB 316 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 316** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 251, with Committee Amendments and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Ford moved the adoption of the Committee Amendment No. 1 to **SB 251**. Agreed.

Representative Ford moved the adoption of the Committee Amendment No. 2 to **SB 251**. Agreed.

Representative Ford moved that **SB 251**, as amended, be passed.

On the roll call the vote was yeas 88-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, White, Williams, Worthington, Yates. Nays 5-Farrow, Heleringer, List, Little, Van Horn.

SB 251, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 251**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 404, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Barrows moved the adoption of Committee Amendment No. 1 to **SB 404**, Rejected.

Representative Barrows moved the adoption of the Floor Amendment No. 2 to **SB 404**. Agreed.

Representative Barrows moved that the vote by which Committee Amendment No. 1 to **SB 404** was rejected be reconsidered.

The Chair ruled the above motion out of order.

Representative Hancock moved that the vote by which Committee Amendment No. 1 to **SB 404** was rejected be reconsidered.

The Chair ruled the floor leader must yield for this purpose.

Representative LeMaster moved that the vote by which Committee Amendment No. 1 to **SB 404** was rejected be reconsidered. Agreed.

Representative LeMaster moved the adoption of the Committee Amendment No. 1 to **SB 404**. Agreed.

Representative Barrows moved that **SB 404,** as amended, be passed.

On the roll call the vote was yeas 85-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Worthington, Yates. Nays 7-Allen, Burch, Heleringer, Layman, Rattliff, Robinson, Turner.

SB 404, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 404,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 288, with Committee Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Brinkley moved that **SB 288** be passed.

On the roll call the vote was yeas 83-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Holbrook, Holloway, R. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, List, Little, Long, Lundergan, Mann, McBee, McElroy, McNutt, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, White, Williams, Worthington, Yates. Nays 4-Fryman, Johnson, Turner, Van Horn.

SB 288 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 288** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 305 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cowan moved that **SB 305** be passed.

On the roll call the vote was yeas 66-Arnold, Bendl, Bennett, Blandford, Blevins, Bronger, Burch, Burnette, Caldwell, L. Clark, Clarke, Cowan, Craddock, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Foster, Gedling, Gray, Guenthner, Handy, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, T. Jones, Kenton, Kidd, LeMaster, Little, Long, Lundergan, Mann, McBee, McElroy, Moberly, Moore, Morris, Nett, Noe, O'Brien, Pearman, Perkins, Petty, Priddy, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, B. Smith, F. Smith, Stone, Stumbo, Thomas, Van Horn, Williams, Worthington, Yates. Nays 19-Allen, Brown, P. Clark, Dawahare, Ellington, Fryman, Harper, R. Jones, Lefevers, Lile, McNutt, Meyer, Noland, Patrick, Rapier, Rattliff, Robinson, Todd, Turner.

SB 305 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 305** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 282 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Richards moved that **SB 282** be passed.

On the roll call the vote was yeas 87-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 5-Allen, Brown, Farrow, List, B. Richardson.

SB 282 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 282** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 372 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Brinkley moved that **SB 372** be passed.

On the roll call the vote was yeas 89-Allen, Arnold, Bendl, Bennett, Blandford, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Gedling, Gray, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

SB 372 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 372** was passed be reconsidered and said motion be placed on the table. Agreed.

Representative LeMaster moved that the rules be suspended to act upon Resolutions and Legislative Citations. Agreed.

Representative Blevins moved the adoption of the following **HR 143**:

HR 143, A RESOLUTION in honor of the Morehead State University basketball team.

WHEREAS, the 1983-84 season was the first ever in which the Morehead State University basketball team won over 20 games, compiling a total of 25 wins and only 6 losses; and

WHEREAS, this was also the first season that the Eagles soared to an outright championship in the Ohio Valley Conference; and

WHEREAS, this season marked the team's second appearance in the NCAA basketball tournament in 2 years, where it won its second NCAA game ever; and

WHEREAS, the Morehead State University team has won 2 Ohio Valley Conference Tournaments in as many years; and

WHEREAS, the team's feat of winning 12 consecutive games has set a record for the longest winning streak in the school's history; and

WHEREAS, the team has demonstrated superior talent by also setting the school's longest winning streak of games played away from home, a record consisting of 7 consecutive games;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives bestows its heartfelt congratulations to the Morehead State University basketball team for its outstanding accomplishments in the 1983-84 season.

Section 2. That the House of Representatives recognizes and commends the superlative training, skill, and dedication that the team has exhibited throughout the season, and will surely repeat in years to come.

Section 3. That this honorable body directs the Clerk of the House to send a copy of this resolution to the athletic department of Morehead State University.

HR 143 was adopted by voice vote.

Representative Blevins moved the adoption of Legislative Citations Nos. 155 through 160. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Morehead State University "Eagles" Basketball Team for your outstanding 1983-84 season which brought you numerous honors and deserved recognition. Your season record of 25-6 is the first time in the Eagle's history to have twenty or more wins in one season. You again broke a MSU record with twelve consecutive victories in one season and by having the most consecutive wins on the road (7). This is the first ever outright Ohio Valley Conference Regular Season Championship, your second consecutive NCAA appearance and you captured your second straight OVC Tournament Championship. We applaud you, Eagles, for an outstanding season which merits you national recognition.

This prestigious body applauds you for your fine accomplishments and the honor and pride you have bestowed on your university, community and the Commonwealth of Kentucky. (Sponsored by Representative Blevins)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Wayne Martin, coach of the Morehead State University Basketball Team, for outstanding leadership that has brought unsurpassed honor and recognition to you and your team. You have been selected as Coach of the Year by the Ohio Valley Conference, as well as Coach of the Year of the NCAA Division I Conference, as well as Coach of the Year of the NCAA Division I District 7. You have compiled an enviable record in your six seasons at Morehead State culminated by a 1983-84 season record of 25-6 which is the first time in Morehead State University's history to have 20 or more wins in one season. This year captured your 101st win at Morehead State, and in fifteen years as a head coach you have 269 career wins, which is exemplary of your high standard of performance requiring the best at all times.

This honorable body salutes you for your magnanimous contributions toward the development of the future leaders of our Commonwealth and we extend your best wishes for your continued success. (Sponsored by Representative Blevins)

The House of Representatives of the Commonwealth of Kentucky hereby congratulates you, Eddie Childress, outstanding Senior basketball player at Morehead State University. Perseverance, hard work, dedication and school loyalty have been most evident and rewarding as you are a four year starter at Morehead State. Your 1165 career points at the University are most creditable and impressive. You have brought great pride and inspiration to your university, community and the Commonwealth of Kentucky.

We salute you and wish you much success in your future endeavors. (Sponsored by Representative Blevins)

The House of Representatives of the Commonwealth of Kentucky hereby congratulates you, Jeff Fultz, outstanding Senior and Captain of the Morehead State University basketball team. Perseverance, hard work, dedication and school loyalty are most evident and rewarding as you captured the Ohio Valley Conference Single Game Assist Record and the All Time Assist Record at Morehead State University. You have brought great pride and inspiration to your university, community and the Commonwealth of Kentucky.

We salute you and wish you much success in your future endeavors. (Sponsored by Representative Blevins)

The House of Representatives of of the Commonwealth of Kentucky hereby congratulates you, Earl Harrison, outstanding Senior basketball player at Morehead State University. Your superior honors are most creditable and impressive as you were named to the First Team All Ohio Valley Conference, to the All Ohio Valley Conference Tournament Team, and the Most Valuable Player in the OVC Tournament. Another noteworthy accomplishment is your selection to the NCAA Division I District 7 All American Team. You have brought great pride and inspiration to your university, community and the Commonwealth of Kentucky.

We salute you and wish you much success in your future endeavors. (Sponsored by Representative Blevins)

The House of Representatives of the Commonwealth of Kentucky hereby congratulates you, Guy Minnifield, outstanding Senior basketball player at Morehead State University. Perseverance, hard work, dedication and school loyalty are most evident and rewarding in helping you qualify as All Ohio Valley Conference Honorable Mention. Your 1227 career points in three years at Morehead State are most creditable and impressive. You have brought great pride and inspiration to your university, community and the Commonwealth of Kentucky.

We salute you and wish you much success in your future endeavors. (Sponsored by Representative Blevins)

Representative LeMaster moved the adoption of Legislative Citations No. 161 and 162. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates you, Arthur Sullivan, outstanding Senior and Captain of the Morehead State University basketball team. Your superior honors are most creditable and impressive as you were named to the All Ohio Valley Conference Team and selected as a finalist for the Naismith Award (Best Player in America under 6'). Your four year academic award at Morehead State is exemplary of your goals and accomplishments. You have brought great pride and inspiration to your university, community and the Commonwealth of Kentucky.

We salute you and wish you much success in your future endeavors. (Sponsored by Representative Blevins)

The House of Representatives of the Commonwealth of Kentucky hereby congratulates you, Jeff Tipton, outstanding Senior basketball player at Morehead State University. Perseverance, hard work, dedication and school loyalty are most evident and rewarding in helping you qualify as Second Team All Ohio Valley Conference. Your 1037 career points in four years at Morehead State are most creditable and impressive. You have brought great pride and inspiration to your university, community and the Commonwealth of Kentucky.

We saluate you and wish you much success in your future endeavors. (Sponsored by Representative Blevins)

Representative Patrick moved the adoption of Legislative Citation No. 153. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates Beth Bates, a senior at Williamsburg City School, for the distinct honor of being the first girl to play high school football in the state of Kentucky, and in Tennessee when your team played Jelico High School. Your position as the point after touchdown kicker for the "Yellow Jackets" makes you the first girl to kick a field goal in the states of Kentucky and Tennessee. Your completion of seven out of twelve extra points and the twenty-seven yard field goal during the two seasons you played is especially impressive. You have distinguished yourself with the highest ideals; moral courage, personal sacrifice, sincere discipline, and genuine ability. Your academic accomplishments are indicative of your goals, as evidenced by your overall 3.97 grade point average. The youth of our nation will be great beneficiaries of your accomplishments. You have brought great pride and inspiration to your school, community and the Commonwealth of Kentucky. We salute you and wish you much success in your future endeavors. (Sponsored by Representative Patrick)

SB 361, by way of Committee Substitute as amended by Floor Amendment No. 2, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Arnold moved that **SB 361**, by way of Committee Substitute as amended, be passed.

Representative Crupper moved the adoption of the Floor Amendment No. 8 to the Committee Substitute to **SB 361**.

On the roll call the vote was yeas 81-Allen, Bennett, Blandford, Blevins, Bronger, Brown, Burch, Burnette, Caldwell, L. Clark, P. Clark, Cline, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Fryman, Gedling, Gray, Harper, Head, Heleringer, Holbrook, Holloway, Johnson, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington. Nays 5-Bendl, Cowan, Hancock, R. Jones, Morris.

Floor Amendment No. 8 to the Committee Substitute to **SB 361** was adopted.

Representative Arnold moved that **SB 361,** by way of Committee Substitute as amended, be passed.

On the roll call the vote was yeas 90-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Endicott, Farrow, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams. Nays 6-Allen, Ellington, Fryman, Layman, Richards, Worthington.

SB 361, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 361,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 406, with Senate Committee Substitute attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Committee Substitute to **HB 406** is as follows:

HB 406, AN ACT making appropriations for the operations, maintenance, support and functioning of the judicial branch of the government of the Commonwealth of Kentucky and its various officers, boards, commissions, subdivisions, and other state supported activities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART I
GENERAL FUND

There is appropriated out of the general fund for the fiscal year beginning July 1, 1984 and ending June 30, 1985, and for the fiscal year beginning July 1, 1985 and ending June 30, 1986, the following sums to be used for the purposes of the judicial branch of the government of the Commonwealth of Kentucky including the Supreme Court, Court of Appeals, circuit court, district court, the administrative office of the courts, pretrial services, judicial boards and commissions, the state law library, judicial retirement, and for services performed by the circuit clerks' offices, including both circuit and district support:

1. Court of Justice	1984-85	1985-86
a. To the Court of Justice, for court operation and administration	$49,643,900	$52,398,800
b. To the Court of Justice, for the local facility fund	7,735,600	8,208,900

There is included in the above appropriations an appropriation of $112,000 in 1984-1985 and $112,000 in 1985-1986 for the purpose of funding the one dollar minimum rental payment for facilities which are authorized in KRS Chapter 26A.

Total Court of Justice	$57,379,500	$60,607,700

2. Judicial form retirement System

a. To the board of trustees of the judicial form retirement system, for funding and operation of the judicial retirement plan	2,286,900	2,299,600
Total - judicial branch	$59,666,400	$62,907,300

PART II

TRUST AND AGENCY FUNDS

There is hereby appropriated to the Court of Justice for the fiscal year beginning July 1, 1984 and ending June 30, 1985, and for fiscal year July 1, 1985 and ending June 30, 1986, all receipts of the Court of Justice not otherwise disposed by law, and any unexpended balance remaining in the Court of Justice's existing trust and agency accounts at the close of the fiscal years ending June 30, 1985 and June 30, 1986.

In the event the Court of Justice receives receipts in excess of the amounts appropriated herein, the director of the administrative office of the courts at the direction of the chief justice may authorize the credit and expenditure of such trust and revolving or agency funds receipts for statutory purposes. The director of the administrative office of the courts shall notify on a timely basis the legislative research commission of the most current estimates of anticipated receipts for the affected fiscal year and an accompanying statement which explains such variations from the anticipated amount.

	1984-85	1985-86
Court of Justice	$1,000	$1,000

PART III

FEDERAL FUNDS

There is appropriated to the Court of Justice for the fiscal year beginning July 1, 1984 and ending June 30, 1985, and for the fiscal year beginning July 1, 1985 and ending June 30, 1986, federal subvention, grants, contracts and other federal funds received, income from investment and other miscellaneous federal receipts received by the Court of Justice except as otherwise specifically provided, for the use and benefit of the Court of Justice for the purposes for which its fund is authorized, and any unexpended balance remaining in the Court of Justice's existing federal accounts at the close of fiscal years ending June 30, 1985 and June 30, 1986. All funds received shall be deposited in the state treasury and credited to the proper federal fund account as provided by law.

In the event the Court of Justice receives monies in excess of the amounts appropriated herein, the director of the administrative office of the courts at the direction of the chief justice may authorize the credit and expenditure of such federal funds for statutory purposes. The director of the administrative office of the courts shall notify on a timely basis the legislative research commission of the most current estimates of anticipated receipts for the affected fiscal year with an accompanying statement which explains such variations from the anticipated amount.

	1984-85	1985-86
Court of Justice	$13,500	$100

PART IV

BUDGET REDUCTION PLAN

In accord with KRS 48.130, if the projected or actual general fund revenues are certified to be at least two and one-half percent (2 1/2%) but not more than five percent (5%) less than the revenue estimates, and in the event that there is insufficient monies in the General Fund Surplus Account or in the Budget Reserve Trust Fund for the prorata share of all branches, the general fund allotment shall be reduced as follows:

1. Court of Justice	1984-85	1985-86
a. Court of Justice, court operation and administration	$1,491,700	$1,572,700
b. Court of Justice, local facility fund	$ 0	$ 0
2. Judicial form retirement system	$ 0	$ 0
Total - judicial branch	$1,491,700	$1,572,700

PART V

GENERAL PROVISIONS

1. The director of the administrative office of the courts with the approval of the chief justice may expend any of the funds appropriated for court operation and administration in any lawful manner and for any legal purpose which the chief justice shall authorize or direct. No executive agency of state government shall have the power to restrict or limit the expenditure of funds appropriated to the judicial branch of government.
2. In enacting this appropriations act, it is the deliberate intention of the general assembly to enact each section, and each subsection thereof as a separate and specific appropriation and law, and if any section, any

subsection, or any provisions thereof shall be invalid or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions contained herein.

3. The Court of Justice shall not incur any obligation for any program against the general fund appropriation contained herein unless such program may be reasonably determined to have been contemplated by the proposed judicial budget, as modified and enacted, and supported by appropriate work papers and other records pertaining thereto.

4. The chief justice shall cause the director of the administrative office of the courts to prepare a final budget document reflecting the 1984-86 biennial budget of the Court of Justice. A copy shall be provided to the legislative research commission and an informational copy shall be furnished to the department of finance within thirty (30) days of the adjournment of the 1984 session of the general assembly.

5. No annual salary increments for judges and justices of the Courts, and elected and non-elected personnel shall be provided or granted in fiscal year 1984-85. The annual salary increments in fiscal year 1985-86 shall not exceed the lesser sum of five percent (5%) or the increase in consumer price index as established by the U.S. Department of Commerce for the period between February 1, 1984, and February 1, 1985.

Saving as a result of this salary increment provision shall be transferred to the Budget Reserve Trust Fund as otherwise enacted by the 1984 General Assembly. Program services and benefits shall not be reduced by any officer or employe of the branch unless the reduction is in accordance with the budget reduction plan.

Representative Clarke moved that the House refuse to concur in the Senate Committee Substitute to **HB 406**. Agreed.

HB 474, with Senate Committee Substitute and Senate Amendment to the Committee Substitute attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Committee Substitute to **HB 474** is as follows:

HB 474, AN ACT relating to appropriations for the operation, maintenance, support, and functioning of the government of the Commonwealth of Kentucky and its various officers, cabinets, departments, boards, commissions, institutions, subdivisions, agencies, and other state supported activities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART I

GENERAL FUND

There is appropriated out of the General Fund for the fiscal year ending June 30, 1984, and, including any funds pursuant to KRS 48.700 as of June 30, 1984, for the fiscal year beginning July 1, 1984, and ending June 30, 1985, and, including any funds pursuant to KRS 48.700 as of June 30, 1985, for the fiscal year beginning July 1, 1985, and ending June 30, 1986, the following sums, or so much thereof as maybe necessary, for the following officers, cabinets, departments, boards, commissions, institutions, subdivisions, and agencies of the State Government, and any and all other activities of the government of the Commonwealth of Kentucky subject to the provisions of Chapters 21, 42, 45, and 48 of the Kentucky Revised Statutes, for which a specific appropriation is in Part I listed as follows:

A. GOVERNMENT OPERATIONS

1. EXECUTIVE OFFICE OF THE GOVERNOR

a. Governor

1984-85	$ 1,733,700
1985-86	$ 1,709,200

Included in the above appropriation in each year of the biennium is $18,000 for the Governor's expense allowance to meet additional expenses associated with the position of Governor of Kentucky as specified in KRS 64.710.

b. Secretary of the Cabinet

1984-85	$ 223,500
1985-86	$ 206,900

c. Governor's Office for Policy and Management

1984-85	$ 1,110,100
1985-86	$ 1,042,200

d. Governor's Office for Program Administration

	1984-85	$ 257,500
	1985-86	$ 274,600
e.	State Planning Fund	
	1984-85	$ -0-
	1985-86	$ -0-
f.	Governor's Council on Agriculture	
	1984-85	$ 371,000
	1985-86	$ 376,500
g.	Governor's Education Advisor	
	1984-85	$ 200,000
	1985-86	$ 250,000
TOTAL - EXECUTIVE OFFICE OF THE GOVERNOR		
	1984-85	$ 3,895,800
	1985-86	$ 3,859,400

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2. LIEUTENANT GOVERNOR

1983-84	$ 19,000
1984-85	$ 419,200
1985-86	$ 464,000

Included in the above appropriation in each year of the biennium is $10,000 for the Lieutenant Governor's expense allowance to meet additional expenses associated with the position of Lieutenant Governor of Kentucky as specified in KRS 64.710.

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3. SECRETARY OF STATE

a.	General Operations	
	1983-84	$ 75,000
	1984-85	$ 846,400
	1985-86	$ 910,800
b.	Restoration of Land Grant Books	
	1984-85	$ 44,000
	1985-86	$ 44,000

TOTAL - SECRETARY OF STATE

1983-84	$ 75,000
1984-85	$ 890,400
1985-86	$ 954,800

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4. BOARD OF ELECTIONS

1984-85	$ 1,053,900
1985-86	$ 1,160,900

Included in the above appropriation is $563,400 in fiscal year 1984-85 and $591,600 in fiscal year 1985-86 to pay the state's share of county election expenses (KRS 117.345) and the state's share of voter registration expenses (KRS 116.105). Any unexpended balance remaining at the close of each fiscal year shall lapse to the credit of the General Fund. Any amount that the state is required to pay in excess of the above amounts under the provisions of KRS 116.145 is hereby appropriated.

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5. TREASURY

1984-85	$ 1,008,300
1985-86	$ 1,269,000

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6. DEPARTMENT OF LAW

1984-85	$ 4,575,300
1985-86	$ 5,134,300

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7. UNIFIED PROSECUTORIAL SYSTEM

a. Commonwealth's Attorney
1984-85 .... $ 6,698,800
1985-86 .... $ 7,598,200
b. County Attorney
1984-85 .... $ 7,195,800
1985-86 .... $ 7,563,500

TOTAL - UNIFIED PROSECUTORIAL SYSTEM
1984-85 .... $ 13,894,600
1985-86 .... $ 15,161,700

The above appropriation includes a maximum three percent (3%) salary increase for elected officials and staff persons each fiscal year.

It is the intent of the General Assembly that the distribution of funds to a particular county or circuit be based upon that county's or circuit's actual caseload. It is further the intent of the General Assembly that those counties or circuits receive an amount of the total funds comparable to its caseload to the state's total caseload.

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8. AUDITOR OF PUBLIC ACCOUNTS
1984-85 .... $ 2,291,100
1985-86 .... $ 2,851,100

The Auditor of Public Accounts shall report in writing each sixty (60) days to the Interim Joint Committee on Appropriations and Revenue the progress of all state audits, together with copies of all completed audits.

No state agency shall enter into any contract with a non-governmental entity for an audit unless the Auditor of Public Accounts has declined in writing to perform the audit or has failed to respond within thirty (30) days of receipt of a written request. The agency requesting the audit shall furnish the Auditor of Public Accounts a comprehensive statement of the scope and nature of the proposed audit.

There is hereby appropriated to the Auditor of Public Accounts funds which are required in the auditing of federal disaster relief funds.

The Auditor shall maintain a record of all time and expenses for each audit or investigation.

Any additional expense incurred by the Auditor of Public Accounts for auditing federal funds, when such audits are mandated by a cognizant federal audit agency, shall be charged to the audited agency, when such costs may be charged against federal funds. The Auditor of Public Accounts is hereby authorized to receive these federal funds in a separate account to be established for this purpose. The Auditor shall maintain a record of all costs and expenditures associated with this provision.

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9. DEPARTMENT OF MILITARY AFFAIRS
a. General Operations
1984-85 .... $ 4,538,700
1985-86 .... $ 4,829,300

Included in the above appropriation is $152,000 in fiscal year 1984-85 and $152,000 if fiscal year 1985-86 for the Kentucky Early Warning System (KEWS) operation of which $10,000 each year is intended for the maintenance of radio equipment.

There is hereby appropriated to the department funds which are required as a result of the Governor's call of the Kentucky National Guard to active duty; provided, however, that an emergency situation shall have been declared to exist by the Governor.

b. Disaster and Emergency Services
1984-85 .... $ 1,996,800
1985-86 .... $ 2,093,800

Included in the above appropriation is $230,700 in fiscal year 1984-85 and $240,300 in fiscal year 1985-86 for the Kentucky Early Warning System (KEWS) operation.

Also included in the above appropriation is $100,000 in fiscal year 1984-85 and $100,000 in fiscal year 1985-86 for emergency expenses by the Division of Disaster and Emergency Services for disasters and emergencies. These funds may only be expended at the recommendation of the Adjutant General to the Governor.

There is hereby appropriated to the department funds required to match federal aid to which the state would be eligible in the event of a Presidentially-declared disaster or emergency.

It is the intent of the General Assembly that the appropriation level for the Division of Disaster and Emergency Services not be reduced in the event of a revenue shortfall in either fiscal year of the 1984-86 biennium.

TOTAL - DEPARTMENT OF MILITARY AFFAIRS

1984-85	$ 6,535,500
1985-86	$ 6,923,100

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10. KENTUCKY HORSE COUNCIL

1984-85	$ -0-
1985-86	$ -0-

Responsibilities of the Kentucky Horse Council are hereby transferred to the Kentucky Horse Park.

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11. DEPARTMENT OF PERSONNEL

a. General Operations

1984-85	$ 4,065,300
1985-86	$ 4,076,700

b. Pay-for-Performance/Competitive Pay

1984-85	$ 1,000,000
1985-86	$ 3,000,000

TOTAL - DEPARTMENT OF PERSONNEL

1984-85	$ 5,065,300
1985-86	$ 7,076,700

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12. PERSONNEL BOARD

1984-85	$ 193,300
1985-86	$ 236,700

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13. DEPARTMENT OF LOCAL GOVERNMENT

1984-85	$ 3,738,300
1985-86	$ 3,393,500

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14. CAPITAL PLAZA

1984-85	$ 1,847,500
1985-86	$ 1,873,800

Included in the above appropriation is $1,847,500 in fiscal year 1985 and $1,873,800 is fiscal year 1986 which shall be used for debt service for the Capital Plaza.

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15. COUNTY COSTS	1984-85	1985-86
a. Base Court Revenue	$5,431,000	$5,431,000
b. Sheriffs' Fees	1,300,000	1,350,000
c. Jury Fund	3,500,000	3,650,000
d. Witnesses	60,000	65,000
e. Special Bailiffs	20,000	25,000
f. Board of Assessment Appeals	25,000	30,000
g. Fugitives from Justice	300,000	315,000
h. Sheriffs' Expense Allowance	432,000	432,000
i. Premium on Sheriffs' Bonds	525,000	550,000
j. County Clerks - Making Tax Bills	475,000	500,000

Funds required to pay county costs funded by the General Fund are hereby appropriated and additional funds may be allotted from the General Fund Surplus Account by the Secretary of the Finance and Administration Cabinet.

TOTAL - COUNTY COSTS

1984-85	$ 12,068,000
1985-86	$ 12,348,000

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16. SPECIAL FUNDS

a. Local Government Economic Assistance Fund

1984-85	$ 18,250,000
1985-86	$ 25,700,000

The above appropriations are based on the official estimate of the Secretary of Revenue for severance tax collections during the biennium, distributed in accordance with KRS 42.450 through 42.495. In the event actual severance tax receipts are different from the official estimate, the amount to be allotted to the Local Government Economic Assistance Fund shall be determined in accordance with KRS 42.450 through 42.495.

b. Area Development Fund

1984-85	$ 2,910,000
1985-86	$ 2,910,000

c. Kentucky Center for the Arts - Debt Service

1984-85	$ 2,900,000
1985-86	$ 2,900,000

TOTAL - SPECIAL FUNDS

1984-85	$ 24,060,000
1985-86	$ 31,510,000

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17. GENERAL OBLIGATION BONDS

a. Park Bonds

1984-85	$ 560,000
1985-86	$ 565,000

b. Veterans Bonus Bonds

1984-85	$ 7,855,000
1985-86	$ 7,865,000

c. 1965 General Purpose Bonds

1984-85	$ 2,060,000
1985-86	$ 2,060,000

TOTAL - GENERAL OBLIGATION BONDS

1984-85	$ 10,475,000
1985-86	$ 10,490,000

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18. BOARDS AND COMMISSIONS

a. Kentucky Athletic Commission

1984-85	$ 61,800
1985-86	$ 52,400

b. Board of Proprietary Education

1984-85	$ -0-
1985-86	$ -0-

TOTAL - BOARDS AND COMMISSIONS

1984-85	$ 61,800
1985-86	$ 52,400

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19. FINANCIAL DISCLOSURE REVIEW COMMISSION

1984-85	$ -0-
1985-86	$ -0-

Responsibilities of the Financial Disclosure Review Commission are hereby transferred to the Registry of Election Finance.

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20. MISCELLANEOUS APPROPRIATIONS

a. Board of Claims Awards

1984-85	$ 200,000
1985-86	$ 200,000

Funds are appropriated for the repayment of awards or judgments made by the Board of Claims against departments, boards, commissions, and other agencies maintained by appropriations out of the General Fund. However, awards under $500, in cases where the operating agency admits negligence, shall be paid from funds available for the operations of such agencies.

b. Judgments

1984-85	$ 100,000
1985-86	$ 100,000

For payment of such judgments as may be rendered against the Commonwealth by courts and orders of the State Personnel Board; such payments, where applicable, shall be subject to the provisions of KRS Chapter 45. Also, to pay medical malpractice judgments against the University of Kentucky and the University of Louisville in accordance with KRS 164.941 and 164.892. However, in no event shall the total payments exceed the sum of $5,500,000 in any fiscal year.

c. Prior Year Claims

1984-85	$ 100,000
1985-86	$ 100,000

d. Unredeemed Checks Refunded

1984-85	$ 60,000
1985-86	$ 60,000

Checks written by the State Treasurer and not cashed within the statutory period may be presented to the State Treasurer for reissuance in accordance with the provisions of KRS 41.370.

e. Blanket Employees Bonds

1984-85	$ -0-
1985-86	$ 140,000

For payment of premiums on blanket surety bonds as provided by KRS 62.170.

f. Frankfort Planning Commission

1984-85	$ 1,000
1985-86	$ 1,000

g. Frankfort Cemetery

1984-85	$ 2,500
1985-86	$ 2,500

h. Public Improvements

1984-85	$ 5,000
1985-86	$ 5,000

Funds are appropriated for paying assessments for public improvements against property owned by the State, and for which said assessments the State is deemed to be liable.

i. Police and Firemen - Life Insurance

1984-85	$ 50,000
1985-86	$ 50,000

Funds are appropriated for payment of benefits for state and local police and firemen in accordance with KRS 61.315.

j. Workers' Compensation

1984-85	$ 40,000
1985-86	$ 40,000

Fee officers in counties over 75,000 in population.

k. Master Commissioners - Employers Retirement

1984-85	$ 63,000
1985-86	$ 63,000

l. Master Commissioners - Social Security

1984-85	$ 100,000
1985-86	$ 100,000

m. Money Refunded

1984-85	$ 2,000
1985-86	$ 2,000

For refunding money paid into the State Treasury, which may later be determined not to be a lawful collection by the State. No money shall be refunded, however, after it has been paid into the State Treasury except by authority of the head of the department or agency to whom the money was originally paid and with the approval of the Secretary of the Finance and Administration Cabinet and the Attorney General.

TOTAL - MISCELLANEOUS APPROPRIATIONS

1984-85	$ 723,500
1985-86	$ 863,500

Funds required to pay the costs of items included within the Miscellaneous Appropriations category are hereby appropriated, and any required expenditure over the above amounts is to be paid from the General Fund Surplus.

TOTAL - GOVERNMENT OPERATIONS

1983-84	$ 94,000
1984-85	$ 92,796,800
1985-86	$105,622,900

B. COMMERCE

21. OFFICE OF THE SECRETARY

1984-85	$ 9,956,300
1985-86	$ 10,016,200

Included in the above appropriation is $8,730,600 in fiscal year 1984-85 and $8,738,600 in fiscal year 1985-86 for debt service payments on the Economic Development Bond program for the committed projects as identified in Part IV of this Act.

22. DEPARTMENT OF ECONOMIC DEVELOPMENT

1984-85	$ 2,857,500
1985-86	$ 2,711,200

Included in the above appropriation is $50,000 in fiscal year 1984-85 for enabling legislation enacted by the 1984 General Assembly for implementation of a Business Information Clearinghouse program.

23. KENTUCKY DEVELOPMENT FINANCE AUTHORITY

1984-85	$ 5,434,000
1985-86	$ 5,424,000

The appropriation in each fiscal year is entirely for debt service payments associated with the $50 million bond issuance for the Kentucky Development Finance Authority loan program.

24. DEPARTMENT OF THE ARTS

1984-85	$ 2,794,000
1985-86	$ 2,898,200

Included in the above appropriation is $1,228,000 in each fiscal year for the Challenge Grant program to be administered by the Kentucky Arts Council.

25. DEPARTMENT OF AGRICULTURE

1984-85	$ 8,648,900
1985-86	$ 9,037,200

Included in the above appropriation is $50,000 each fiscal year for enabling legislation enacted by the 1984 General Assembly for an amusement ride inspection program.

Included in the above appropriation is $300,000 in each fiscal year for federal fund replacement in the Brucellosis Eradication and Control program. These funds shall be allotted only after proper documentation of an actual withdrawal of federal funds is presented to the Secretary of Finance and Administration. The funds shall be allotted only with his approval.

26. COUNCIL ON AGRICULTURE

1984-85	$ -0-
1985-86	$ -0-

TOTAL - COMMERCE

1984-85	$ 29,690,700
1985-86	$ 30,086,800

C. CORRECTIONS

27. CORRECTIONS

a. Correction's Management

1984-85	$ 5,730,200
1985-86	$ 6,379,600

Included in the above appropriation is $3,000,000 in fiscal year 1985 and $3,584,500 in fiscal year 1986 for debt service to fund projects itemized in Part V of this Act. Also included is $89,000 each year to fund additional research and evaluation staff.

b. Adult Institutions

1983-84	$ 662,000
1984-85	$ 44,707,900
1985-86	$ 45,589,000

c. Community Services and Local Facilities

1983-84	$ 1,100,000
1984-85	$ 9,062,200
1985-86	$ 10,773,800

Included in the above appropriation is $649,200 in fiscal year 1985 and $662,200 in fiscal year 1986 for an Intensive Supervision program for approximately 500 offenders who would, if not for the availability of this program, be incarcerated in a state facility.

d. Local Jail Support

1984-85	$ 13,960,500
1985-86	$ 14,613,100

Included in the above appropriation is $900,000 each year for medical care contracts to be distributed to counties by the formula for operational fund disbursement established within **SB 361** passed by the 1984 General Assembly; $100,000 is provided each year, on a partial reimbursement basis, for medical claims in excess of $2,500 as established by legislation.

e. Parole Board

1984-85	$ 472,400
1985-86	$ 460,000

TOTAL - CORRECTIONS

1983-84	$ 1,762,000
1984-85	$ 73,933,200
1985-86	$ 77,815,500

D. EDUCATION AND HUMANITIES

28. Governor's Student Learning Improvement Program

1984-85	$ -0-
1985-86	$ -0-

29. DEPARTMENT OF EDUCATION

a. General Administration

1984-85	$ 6,014,100
1985-86	$ 6,335,400

Included in the above appropriation is $874,500 in fiscal year 1984-85 and $906,600 in fiscal year 1985-86 to match federal dollars for the Adult Education program in accordance with federal regulations. Also included is $129,700 in fiscal year 1984-85 and $131,000 in fiscal year 1985-86 for debt service, and $2,231,900 in fiscal year 1984-85 and $2,343,600 in fiscal year 1985-86 for maintenance of facilities and building insurance costs. The amounts herein indentified shall be expended for these purposes and no others, except as provided in this Act. Any surplus shall lapse to the General Fund.

b. Education for Exceptional Children

1984-85	$ 8,869,000
1985-86	$ 9,400,500

Of the above appropriation, at least $7,435,700 in fiscal year 1984-85 and $7,891,100 in fiscal year 1985-86 is included for the Kentucky School for the Blind and the Kentucky School for the Deaf.

Also included in this appropriation is $350,000 in each year of the 1984-86 biennium for debt service for the addition to the classroom building at the Kentucky School for the Blind.

c. School Foundation Program

1984-85	$859,619,400
1985-86	$895,226,800

Accumulated earnings for the Common School Fund shall each fiscal year be transferred to the School Foundation Program.

Funds appropriated to the School Foundation Program shall be allotted to school districts in accordance with KRS 157.310 through 157.430 and 157A.090, except that the total of the funds allotted shall not exceed the appropriations for this purpose except as provided in this Act. If funds appropriated to the School Foundation Program are insufficient to provide the amount of money required under KRS 157.390(6), allotments to local school districts shall be reduced in accordance with KRS 157.430.

The amount to be included for the 1984-85 school year in the Foundation Program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following schedule, for a term of 185 days for each rank:

Rank Experience	I	II	III	IV	V
0-3 years	$17,590	$15,740	$13,890	$11,960	$11,030
4-9 years	19,430	17,590	15,740	11,960	11,030
10 years & over	21,100	19,250	17,400	11,960	11,030

For the 1985-86 school year, the amount of increase provided in the single state salary allotment schedule shall be the lesser of the Consumer Price Index as calculated from February 1984 to February 1985 or a 5% increase. Any excess appropriations pursuant to this provision shall be transferred as otherwise provided in this bill.

Beginning with the school year 1985-86, the amount to be included in the Foundation Program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following allotment schedule, for a term of 185 days, for each rank:

Rank Experience	I	II	III	IV	V
0-3 years	$18,530	$16,680	$14,830	$12,560	$11,580
4-9 years	20,370	18,530	16,680	12,560	11,580
10 years & over	22,040	20,190	18,340	12,560	11,580

No working budget or salary schedule shall be approved in which the average salary paid any rank of teachers is not at least equivalent to the allotment for that rank, or in which any teacher is paid less than ninety-three percent (93%) of the School Foundation Program allotment for that rank for full time service during the regular school year or the allotment under KRS 157.390(2) shall be reduced by an amount equal to the amount by which the district failed to meet salary requirements, except where there is a decline in local revenue of the district concerned after it has levied the maximum ad valorem property tax rate permitted by law. Any such reduction permitted shall be only for the amount of the decline in local revenue.

In the event any local board of education contends there has been a decline in local tax resources in that district, the State Board of Education shall certify such contention to the Revenue Cabinet. Said Cabinet shall then determine whether there has, in fact, been a decline in local tax resources of such district, and, if so, the amount of such decline. The Revenue Cabinet shall then certify its determination to the State Board of Education, and said Board shall accept such certified determination as final.

The State Board of Education shall not approve any working budgets or salary schedule summaries for local boards of education for the school years 1984-85 and 1985-86 in which the total amount for 185 days on the salary schedule summary for School Foundation Program teachers' instructional salaries is not equal to the amount for 185 days on the salary schedule summary for School Foundation Program teachers' instructional salaries in the preceding year, plus the additional amount for teachers' salaries received by the district under this appropriation for a 185 day school term by assuming the same classroom units and rank and experience of teachers in the current year as in the preceding year in each local school district.

Local school district personnel who are employed beyond the regular school term of 185 days shall be so employed in accordance with the provisions of KRS 157.390(2)(a) and 702 KAR 1:025. Funding for these extended employment days shall not exceed $14,820,000 in fiscal year 1984-85 and $15,220,000 in fiscal year 1985-86.

The allotment of any school district classroom units, pursuant to KRS 157.360(1) shall not exceed the number of teachers employed by that school district.

The allotments to school districts of basic classroom units for grades one (1) through three (3) shall be made on the basis of one for every twenty-five (25) pupils in average daily attendance. The allotments of basic classroom units for grades four (4) through twelve (12) shall be made on the basis of one for every twenty-seven (27) pupils in average daily attendance.

Notwithstanding the provisions of KRS 157.360(5), (6), and (10) the allotments, provision for which is made under this Act, for classroom units shall be as follows:

	1984-85	*1985-86*
Vocational Education	2,698	2,538
Exceptional Children	4,110	4,110

Provided, however, that if the budgeted units in any category of classroom units -- Vocational Education, Exceptional Children, Kindergarten, classroom units for elementary and secondary schools, and units related to school administration -- prove to be excessive, the surplus may be reallocated to any other category or categories by the Superintendent of Public Instruction, upon the approval of the State Board of Education and the Secretary of the Finance and Administration Cabinet.

Kindergarten units shall be allotted in fiscal year 1984-85 and fiscal year 1985-86 on the basis of one for every two classes with 25 pupils in average daily attendance in each class. The number of units allotted in school year 1984-85 shall be based on end of year prior year ADA. The number of units allotted in school year 1985-86 shall be based on end of year prior year ADA including the percent of kindergarten increase in ADA the first two months of the current year over the first two months of the previous school year.

The allotments of basic classroom units shall be made on the average daily attendance (ADA) for the end of the previous school year in public school grades one (1) through twelve (12) after the following deductions: (a) an average daily attendance of nine and six-tenths (9.6) in fiscal year 1984-85 and in fiscal year 1985-86 shall be deducted for each vocational education unit allotted, and (b) an average daily attendance of seven and two-tenths (7.2) in fiscal year 1984-85 and in fiscal year 1985-86 shall be deducted for each exceptional children unit allotted.

The Superintendent of Public Instruction shall enforce the limited class size of 25 in average daily attendance of grades kindergarten through three (3) on a district-wide basis for each local school district.

The total number of administrative and special instructional services (ASIS) units allotted under KRS 157.360(7) shall be the sum of the total allotted number of basic units, kindergarten units, vocational units, and exceptional children units divided by 9.

The State Board of Education shall promulgate regulations upon the recommendation of the Superintendent of Public Instruction which shall cause ASIS units to be allocated with first priority given to funding units required for accreditation, and second priority given to adding units for classroom instruction. The third priority of funding shall be given to other needs for ASIS units in local school districts.

Allotments for ASIS classroom units pursuant to KRS 157.360(7) shall only be for those personnel who are qualified for their respective positions under applicable provisions of law and regulations and who maintain programs which have been approved pursuant to applicable regulations.

The amount to be included in the Foundation Program for other current expenses in the 1984-86 biennium shall be determined by multiplying the number of classroom units by: $4,410 in the 1984-85 school year and $4,410 in the 1985-86 school year.

The amount to be included in the Foundation Program for capital outlay shall be determined by multiplying the number of classroom units by: $1,800 in the 1984-85 school year and $1,800 in the 1985-86 school year.

In accordance with the intent of KRS 162.060 and 162.160, no space shall be rented, purchased, or otherwise acquired and thereafter converted to classroom use without prior approval of the Superintendent of Public Instruction. The State Board of Education may adopt regulations for the housing of school children. No facilities shall be approved for classroom use which are detrimental to the health of or dangerous to the safety of school children.

If a school district operates any school or grade of a school for a term of less than 185 days in accordance with KRS 158.070, or for a school day of less than the minimum required by KRS 158.060, the average daily attendance of such school shall be reduced proportionately by the Superintendent of Public Instruction in determining the allotment of classroom units.

Any undistributed balance in the Foundation Program fund at the end of the fiscal years 1984-85 and 1985-86 shall lapse to the General Fund except where provisions to the contrary are provided in this Act. No unexpended portions of the School Foundation Program fund shall be expended at any time for the purpose of KRS 156.610 through 156.650 except as identified in this Act.

The total appropriation for the School Foundation Program shall be measured by, or construed as, estimates of the state expenditures required by KRS 157.310 et. seq. If the required expenditures exceed these estimates, the Secretary of the Finance and Administration Cabinet, with approval of the Governor, may increase the appropriation by such amount as may be available and necessary to meet, to the extent possible, the required expenditures under the hereinabove cited sections of the Kentucky Revised Statutes; provided, however, that any such increase, of the total appropriation to the Foundation Program is subject to Part VI, General Provisions, Section 8, of this Act, and the provisions of KRS 45.160.

Included in this appropriation is $76,166,500 in fiscal year 1984-85 and $76,166,500 in fiscal year 1985-86 for the costs of transporting pupils to and from school. Calculations of the allotments of pupil transportation funds to school districts shall be made in accordance with KRS 157.370 and 157A.090, except that the total of the funds allotted under KRS 157.390(5) shall not exceed $76,166,500 in fiscal year 1984-85 and $76,166,500 in fiscal year 1985-89; provided, however, that these sums may be increased by any excess funds appropriated for the School Foundation Program, but no such increases shall exceed the total transportation cost calculated in accordance with KRS 157.370 and 157A.090, subject to the approval of the Superintendent of Public Instruction and the Secretary of the Finance and Administration Cabinet, except where provisions to the contrary are stated in this Act.

In the event that the funds appropriated for pupil transportation in fiscal 1984-85 and fiscal year 1985-86 are insufficient to provide allotments to local school districts in accordance with KRS 157.370 and 157A.090, notwithstanding KRS 157.430, the allotments of funds for pupil transportation only to local school districts shall be ratably reduced without reducing other allotments under this appropriation.

Included in the School Foundation Program appropriation is $1,964,000 in fiscal year 1984-85 and $1,964,000 in fiscal year 1985-86 for Vocational Transportation.

d. Power Equalization

1984-85	$ 52,090,100
1985-86	$ 51,294,500

Funds are appropriated for the purpose of equalizing expenditures among students in local school districts in accordance with KRS 157.545 - 157.575.

e. Instruction

1984-85	$ 9,275,700
1985-86	$ 36,890,100

Included in the above appropriation is $800,000 in fiscal year 1984-85 and $1,000,000 in fiscal year 1985-86 for a program of Essential Skills Instruction and Testing for Students.

The above appropriation also includes $200,000 in fiscal year 1984-85 and $25,000,000 in fiscal year 1985-86 for a program of Essential Skills Remediation for Students.

The above appropriation also includes $100,000 in fiscal year 1984-85 and $2,300,000 in fiscal year 1985-86 for a New Teacher Testing and Internship Program.

The above appropriation also includes $5,089,100 in fiscal year 1984-85 and $5,342,500 in fiscal year 1985-86 for the Gifted and Talented Program; of which $75,000 in fiscal year 1984-85 and $150,000 in fiscal year 1985-86 shall be used to establish an Advisory Council for Gifted and Talented Programs.

The above appropriation also includes $410,000 in fiscal year 1984-85 and $430,500 in fiscal year 1985-86 for the Math and Science Scholarship Program administered in accordance with regulations promulgated by the State Board of Education.

f. Local Services

1984-85	$ 14,227,200
1985-86	$ 15,691,800

Included in the above appropriation is $2,656,200 for fiscal year 1984-85 and $2,789,000 for fiscal year 1985-86 for reimbursements to local school districts for the Out-of-District Children program operated in accordance with KRS 158.135 and applicable regulations. Funds to be expended for the Out-of-District Children program shall be limited to these amounts, and if sufficient funds are not available within these allocated amounts to reimburse each district for the total allowed cost of the program, each allocation shall be ratably reduced to the level of available funds.

The above appropriation also includes $304,600 in fiscal year 1984-85 and $319,900 in fiscal year 1985-86 for school district audits; and $5,834,500 in fiscal year 1984-85 and $7,071,200 in fiscal year 1985-86 for the purchase of textbooks for grades kindergarten through eight.

The textbooks selected by the textbook commission for each subject and grade shall be used as a basal text in school districts for a period of six (6) years.

No appropriation is included in this Act for the replacement of student fees; therefore, public schools may charge students for necessary fees and rentals, and may require students to purchase necessary instructional materials, notwithstanding the provisions to the contrary in KRS 158.107.

g. Local District Health and Life Insurance

1984-85	$ 37,235,400
1985-86	$ 41,821,500

Included in the above appropriation is $463,500 in fiscal year 1984-85 and $465,600 in fiscal year 1985-86 to provide life insurance to each full-time certified and non-certified employe of local boards of education. Also included in the above appropriation is $36,596,400 in fiscal year 1984-85 and $41,171,200 in fiscal year 1985-86 to purchase medical insurance for certified and non-certified full-time employees of local boards of education pursuant to applicable statutes and regulations. If the costs for life insurance or health insurance exceed the levels of appropriated funds, any unexpended School Foundation Program funds may be used to offset such expenditures, subject to the approval of the Secretary of the Finance and Administration.

h. Vocational Education

1984-85	$ 40,538,500
1985-86	$ 42,996,200

Included in the above appropriation is at least $1,697,600 in fiscal year 1984-85 and $1,782,500 in fiscal year 1985-86 for equipment procurement and maintenance.

i. Vocational Rehabilitation

1984-85	$ 4,104,900
1985-86	$ 4,192,700

j. Administrative Services and Budget Management

1984-85	$ 2,948,500
1985-86	$ 3,330,200

k. Bluegrass State Skill Corp.

1984-85	$ 417,200
1985-86	$ 438,000

TOTAL - DEPARTMENT OF EDUCATION

1984-85	$1,035,340,000
1985-86	$1,107,617,700

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30. KENTUCKY EDUCATIONAL TELEVISION

1984-85	$ 7,935,200
1985-86	$ 8,335,900

Included in the above appropriation is $608,800 in fiscal year 1984-85 and $607,800 in fiscal year 1985-86 for debt service.

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31. HISTORICAL SOCIETY

1984-85	$ 1,463,100
1985-86	$ 1,563,200

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32. LIBRARY AND ARCHIVES

a. Department for Libraries and Archives

1984-85	$ 8,445,600
1985-86	$ 8,844,000

The appropriation includes $1,689,000 in fiscal year 1984-85 and $1,718,000 in fiscal year 1985-86 for debt service payments for the new State Library and Archives Building.

b. Heritage Council

1984-85	$ 371,400
1985-86	$ 387,000

c. Oral History Commission

1984-85	$ 85,000
1985-86	$ 90,200

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33. BUREAU FOR THE BLIND

1984-85	$ 1,156,400
1985-86	$ 1,229,700

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34. KENTUCKY SCHOOL BUILDING AUTHORITY

1984-85	$ 6,236,300
1985-86	$ 6,238,100

Funds are appropriated for the purpose of meeting the debt service requirements on bonds and bond anticipation notes previously issued or authorized by the Authority. Included in the appropriation is $85,600 in fiscal year 1984-85 and $90,200 in fiscal year 1985-86 for administration.

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35. TEACHERS' RETIREMENT SYSTEM

1984-85	$124,614,400
1985-86	$129,156,300

Funds are appropriated to comply with the obligations of the state under the Teachers' Retirement System statutes as provided in KRS 161.220 through 161.710.

The above appropriation is based upon estimated funds needed to meet the requirements of KRS 161.220 through 161.710. In the event the above appropriations are in excess of these requirements, such excess funds shall lapse to the credit of the General Fund.

In accordance with KRS 161.420, in each fiscal year an amount not greater than four percent (4%) of the receipts of the state accumulation shall be set aside into the expense fund or expended for the administration of the retirement system. No General Fund dollars are provided in fiscal year 1984-85 or fiscal year 1985-86 for the cost of administration.

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36. COMMISSION ON HUMAN RIGHTS

1984-85	$ 1,141,800
1985-86	$ 1,189,300

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37. COMMISSION ON WOMEN

1984-85	$ 170,500
1985-86	$ 178,300

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38. COMMISSION ON THE DEAF AND HEARING IMPAIRED

1984-85	$ 162,600
1985-86	$ 172,800

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39. OFFICE OF THE SECRETARY

1983-84	$ -0-
1984-85	$ -0-
1985-86	$ -0-

TOTAL EDUCATION AND HUMANITIES

	1983-84	$ -0-
00	1984-85	$1,187,122,300
	1985-86	$1,265,012,500

E. ENERGY

40. KENTUCKY ENERGY CABINET

a. Administration and Support

1984-85	$ 907,700
1985-86	$ 932,700

b. Department of Energy Research and Development

1984-85	$ 6,929,500
1985-86	$ 6,772,200

Included in the above appropriation is $350,000 in 1984-85 fiscal year which may be used for the capital project in Part V.

c. Energy Demonstration Trust Fund

1984-85	142,200
1985-86	139,700

d. Department of Energy Production & Utilization

1984-85	842,200
1985-86	844,700

TOTAL - ENERGY CABINET

1984-85	$ 8,821,600
1985-86	$ 8,689,300

F. FINANCE AND ADMINISTRATION

41. FINANCE AND ADMINISTRATION CABINET

a. Office of the Secretary

1984-85 .... $ 1,346,900
1985-86 .... $ 1,792,200

Included in the above appropriation is $150,000 each fiscal year for payment to the City of Frankfort for the provision of fire and police protection and other service for state owned property in accordance with KRS 45.155.

b. Office of Investment and Debt Management

1984-85 .... $ -0-
1985-86 .... $ -0-

c. Office of Historic Properties

1984-85 .... $ -0-
1985-86 .... $ -0-

d. Department of Administration

1984-85 .... $ 5,022,300
1985-86 .... $ 5,200,100

It is the intent of the General Assembly that the costs associated with the enactment of enabling legislation regarding the training programs for local officials and the establishment of a uniform accounting system for local governments, to be conducted by the State/Local Finance office shall be absorbed within the appropriation amounts for the Department of Administration.

e. Department of Facilities Management

1984-85 .... $ 5,797,400
1985-86 .... $ 6,655,000

f. Department of Information Systems

1984-85 .... $ 1,902,200
1985-86 .... $ 1,994,700

TOTAL - FINANCE AND ADMINISTRATION

1984-85 .... $ 14,068,800
1985-86 .... $ 15,642,000

G. HIGHER EDUCATION

42. COUNCIL ON HIGHER EDUCATION

1984-85 .... $ 4,703,400
1985-86 .... $ 4,779,600

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43. HIGHER EDUCATION ASSISTANCE AUTHORITY

1984-85 .... $ 4,058,800
1985-86 .... $ 7,579,200

Included in the above appropriation is $1,704,700 in fiscal year 1984-85 and $3,183,300 in fiscal year 1985-86 for the State Student Incentive Grant Program. Also included is $2,354,100 in fiscal year 1984-85 and $4,395,900 in fiscal year 1985-86 for the Kentucky Tuition Grant Program.

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44. KENTUCKY STATE UNIVERSITY

1984-85 .... $ 10,842,700 1985-86 .... $ 13,257,900

Included in the above appropriation is $308,700 in fiscal year 1984-85 and $1,706,700 in fiscal year 1985-86 for debt service. Also included is $1,449,700 in fiscal year 1984-85 and $2,016,800 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the Desegregation Plan are recurring only for the term of the Plan as approved by the Office of Civil Rights in June 1983.

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45. EASTERN KENTUCKY UNIVERSITY

1984-85 .... $ 34,441,500
1985-86 .... $ 36,165,400

Included in the above appropriation is $2,433,700 in fiscal year 1984-85 and $2,433,100 in fiscal year 1985-86 for debt service. Also included is $157,000 in fiscal year 1984-85 and $164,900 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the Desegregation Plan are recurring only for the term of the Plan as approved by the Office of Civil Rights in June 1983.

46. MOREHEAD STATE UNIVERSITY

1984-85	$ 20,950,800
1985-86	$ 22,049,700

Included in the above appropriation is $1,464,500 in fiscal year 1984-85 and $1,468,100 in fiscal year 1985-86 for debt service. Also included is $47,000 in fiscal year 1984-85 and $49,400 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

47. MURRAY STATE UNIVERSITY

1984-85	$ 25,894,800
1985-86	$ 27,263,300

Included in the above appropriation is $1,620,200 in fiscal year 1984-85 and $1,617,600 in fiscal year 1985-86 for debt service. Also included is $75,000 in fiscal year 1984-85 and $78,800 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

48. NORTHERN KENTUCKY UNIVERSITY

1984-85	$ 20,582,100
1985-86	$ 21,699,900

Included in the above appropriation is $2,860,100 in fiscal year 1984-85 and $2,823,900 in fiscal year 1985-86 for debt service. Also included is $128,000 in fiscal year 1984-85 and $134,400 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

49. WESTERN KENTUCKY UNIVERSITY

1984-85	$ 32,744,200
1985-86	$ 34,500,300

Included in the above appropriation is $1,671,300 in fiscal year 1984-85 and $1,673,700 in fiscal year 1985-86 for debt service. Also included is $101,000 in fiscal year 1984-85 and $106,100 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

50. UNIVERSITY OF LOUISVILLE

1984-85	$ 94,184,700
1985-86	$ 99,701,800

Included in the above appropriation is $10,206,700 in fiscal year 1984-85 and $10,221,400 in fiscal year 1985-86 for debt service. Also included is $424,000 in fiscal year 1984-85 and $445,200 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in 1983. Also included in the above appropriation is not less than $225,700 in fiscal year 1984-85 and not less than $225,700 in fiscal year 1985-86 for the Population Research Unit at the Urban Studies Center.

51. UNIVERSITY OF KENTUCKY

1984-85	$176,104,200
1985-86	$187,624,300

Included in the above appropriation is $9,152,200 in fiscal year 1984-85 and $9,359,300 in fiscal year 1985-86 for debt service. Of the stated debt service amounts, $2,590,700 in fiscal year 1984-85 and $2,582,200 in fiscal year 1985-86 are for the Community College System. Also included is $566,000 in fiscal year 1984-85 and $594,300 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

Included in the above appropriation is $110,000 in fiscal year 1984-85 and $110,000 in fiscal year 1985-86 for capital equipment projects of the University of Kentucky College of Agriculture regulatory services function contained in Part V.

Included in the above appropriation is an amount for the Community College System which shall not be less than $29,056,900 in fiscal year 1984-85 and $31,717,300 in fiscal year 1985-86. Included in the appropriation to the Community College system is $81,000 in fiscal year 1984-85 and $85,100 in fiscal year 1985-86 for the Higher Education Desegregation Plan. The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.

TOTAL - HIGHER EDUCATION

1984-85	$424,507,200
1985-86	$454,621,400

H. HUMAN RESOURCES

52. CABINET FOR HUMAN RESOURCES

a. Department for Social Insurance

1. Administration

1984-85	$ 33,770,300
1985-86	$ 34,213,700

In the event that any portion of this appropriation in either fiscal year is deemed to be in excess of the necessary expenses for administration of the department, such amount, with the approval of the Governor, may be used for Public Assistance Benefits to the needy in accordance with the statutes governing the functions and activities of the Department for Social Insurance. In no instance shall these excess funds be used, without the prior written approval of the Governor, to:

1. establish a new program,
2. expand the services of an existing program,
3. increase rates or payment levels in an existing program.

In instances where approval is given, notification shall be immediately forwarded to the Legislative Research Commission, along with the Governor's written approval and supporting documents from the Cabinet for Human Resources and the Finance and Administration Cabinet.

2. Benefits

1984-85	$206,424,400
1985-86	$216,009,200

To be used for the payment of benefits in accordance with the statutes governing the functions and activities of the Department for Social Insurance. No portion of this appropriation may be used for the costs of administration.

All medical assistance vendor statements for services rendered as a result of bona fide claims for medical care may be paid in the fiscal year in which such statements are received by the paying agency.

b. Department for Employment Services

1984-85	$ 253,700
1985-86	$ 267,400

In the event that in one or both fiscal years of the biennium, the General Fund appropriations to the Department are not required as match for the Federal Work Incentive Program funds, such appropriations shall be transferred to the Department for Social Insurance to be utilized as additional funding for the AFDC Child Care Special Allowance Subprogram.

c. Department for Health Services

1984-85	$ 93,922,700
1985-86	$110,914,300

Included in the above appropriation is $4,618,800 in fiscal year 1984-85 and $4,618,800 in fiscal year 1985-86 for debt service.

d. Department for Social Services

1984-85	$ 42,335,400
1985-86	$ 41,034,400

The Division for Field Services direct services personnel are exempted from any personnel ceiling which may be imposed within the executive branch. It is the intent of this General Assembly that this Division be fully staffed for the duration of the biennium.

e. Executive Policy Support

1984-85	$ 10,191,200
1985-86	$ 10,152,200

It is the intent of this General Assembly to focus the Cabinet's resources, insofar as possible, on direct service provision, minimizing indirect administrative expenses. To this end, a limit of 15% on administrative cost is hereby established for all contracts except Medicaid Benefits, (including Program Administration Contracts) between the Cabinet and non-state government agencies and individuals. In the case of contractors who in turn utilize subcontracting with other service providers, the combined administrative limit is 20%. If administrative cost exceeds these limits, the additional expense shall be the responsibility of the contract or subcontract agency, not the Commonwealth.

In reference to Medicaid, reimbursement to providers shall be governed by the reimbursement policy established by the Cabinet and applicable Federal regulations except that every attempt shall be made to limit reimbursement of administrative expense to only those services minimally required to facilitate direct service provision to clients.

The Cabinet is authorized to promulgate administrative regulations to accomplish this legislative intent. Auditors for the Cabinet, and the State Auditor are hereby directed to complete audits of all Cabinet contracts, beginning with those effective July 1, 1984 and henceforth, and a statement of this intent as a criteria shall be noted in such audit reports.

Included in the above appropriation is $2,791,700 in fiscal year 1984-85 and $2,787,900 in fiscal year 1985-86 for debt service.

TOTAL - HUMAN RESOURCES

1984-85	$386,897,700
1985-86	$412,591,200

I. JUSTICE

53. JUSTICE CABINET

a. Department of Training

1984-85	$ 1,798,900
1985-86	$ 1,905,900

b. Department of State Police

1984-85	$ 49,796,600
1985-86	$ 55,209,700

Included in the above appropriation is $752,000 in fiscal year 1984-85 and in fiscal year 1985-86 for the Kentucky Early Warning System (KEWS) operation.

There is hereby appropriated to the Department of State Police funds which are required as a result of the Governor's call of the Kentucky State Police to extraordinary duty; provided, however, that an emergency situation shall have been declared to exist by the Governor.

c. Justice Administration

1984-85	$ 1,143,800
1985-86	$ 1,286,000

TOTAL - JUSTICE CABINET

1984-85	$ 52,739,300
1985-86	$ 58,401,600

J. LABOR

54. LABOR CABINET

a. General Administration and Support

1984-85	$ 37,100
1985-86	$ 40,300

b. Department of Workplace Standards

1984-85	$ 1,375,900
1985-86	$ 1,494,000

TOTAL - LABOR CABINET

1984-85	$ 1,413,000
1985-86	$ 1,534,300

K. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

55. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET

a. Department of Natural Resources

1984-85	$ 6,426,900
1985-86	$ 7,128,200

Not less than $60,000 of the appropriation for each fiscal year shall be set aside for emergency forest fire suppression. Any expenditure for emergency fire suppression in excess of this amount in either fiscal year is hereby appropriated; provided, however, that the Secretary of the Finance and Administration Cabinet shall certify as to the advisability of such expenditure and the Governor shall approve such expenditure by written order.

b. Department of Environmental Protection

1984-85	$ 7,752,500
1985-86	$ 8,890,700

c. Department of Surface Mining Reclamation and Enforcement

1984-85	$ 5,955,500
1985-86	$ 6,472,900

Included in the above appropriations is $1,000,000 in each fiscal year for the return of permit and acreage fees per KRS 350.139; any required expenditure for this purpose in excess of this amount in either fiscal year is hereby appropriated to the department.

d. General Administration and Support

1984-85	$ 2,499,600
1985-86	$ 2,638,000

TOTAL - NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET

1984-85	$ 22,634,500
1985-86	$ 25,129,800

56. ENVIRONMENTAL QUALITY COMMISSION

1984-85	$ 71,200
1985-86	$ 79,100

57. KENTUCKY NATURE PRESERVES COMMISSION

1984-85	$ 172,400
1985-86	$ 182,000

TOTAL - NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

1984-85	$ 22,878,100
1985-86	$ 25,390,900

L. PUBLIC PROTECTION AND REGULATION

58. OFFICE OF THE SECRETARY

1983-84	$ 21,800
1984-85	$ 308,000
1985-86	$ 334,400

59. DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

1983-84	$ 50,000
1984-85	$ 1,332,300
1985-86	$ 1,464,300

60. BOARD OF CLAIMS/CRIME VICTIMS COMPENSATION BOARD

1984-85	$ 748,900
1985-86	$ 803,000

61. BOARD OF TAX APPEALS

1983-84	$ 3,000
1984-85	$ 205,500
1985-86	$ 225,300

62. DEPARTMENT OF HOUSING,

BUILDINGS AND CONSTRUCTION

1984-85	$ 3,169,700
1985-86	$ 3,224,900

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63. DEPARTMENT OF INSURANCE

1984-85	$ 1,656,500
1985-86	$ 1,786,500

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64. KENTUCKY STATE RACING COMMISSION

1984-85	$ 257,500
1985-86	$ 225,100

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65. KENTUCKY HARNESS RACING COMMISSION

1984-85	$ 318,800
1985-86	$ 295,600

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66. QUARTER HORSE AND APPALOOSA COMMISSION

1983-84	$ 59,600
1984-85	$ 96,000
1985-86	$ 51,800

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67. DEPARTMENT OF MINES AND MINERALS

1984-85	$ 5,929,000
1985-86	$ 6,142,000

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68. DEPARTMENT OF PUBLIC ADVOCACY

1984-85	$ 6,112,700
1985-86	$ 6,686,600

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69. PUBLIC SERVICE COMMISSION

1984-85	$ 3,603,300
1985-86	$ 4,023,700

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70. REGISTRY OF ELECTION FINANCE

1983-84	$ 18,300
1984-85	$ 267,200
1985-86	$ 288,000

TOTAL - PUBLIC PROTECTION AND REGULATION

1981-82	$ 152,700
1984-85	$ 24,005,400
1985-86	$ 25,551,200

M. REVENUE CABINET

71. REVENUE CABINET

a. Executive Policy and Support

1984-85	$ 484,800
1985-86	$ 528,400

b. Department of Professional and Support Services

1984-85	$ 4,121,000
1985-86	$ 4,454,200

c. Department of Processing and Enforcement

1983-84	$ 500,000
1984-85	$ 17,749,900
1985-86	$ 19,274,500

d. Department of Property Taxation

1984-85	$ 12,803,300
1985-86	$ 13,921,300

Included in the above appropriation is $10,900,300 in fiscal year 1984-85 and $11,857,100 in fiscal year 1985-86 for property valuation administrators. There is hereby appropriated to the Revenue Cabinet funds required for expenses in excess of these amounts for property valuation administrators subject to the provision in Part VI, Section 13. Property valuation administrators shall be entitled to receive the salary increase provided in Part VI, Section 13.

TOTAL - REVENUE CABINET

1983-84	$ 500,000
1984-85	$ 35,159,000
1985-86	$ 38,178,400

N. TOURISM

72. OFFICE OF THE SECRETARY

1984-85	$ 572,900
1985-86	$ 604,400

73. DEPARTMENT OF TRAVEL DEVELOPMENT

1984-85	$ 3,113,400
1985-86	$ 3,003,000

74. DEPARTMENT OF PARKS

1984-85	$ 14,663,000
1985-86	$ 18,690,400

75. KENTUCKY HORSE PARK

1984-85	$ 1,941,800
1985-86	$ 1,926,700

Included is $1,411,000 and $1,406,000 for fiscal year 1985 and fiscal year 1986 respectively for the debt service requirement of the Project 29 Revenue Bonds.

76. BREAKS INTERSTATE PARK

1984-85	$ 164,800
1985-86	$ 100,000

For matching funds appropriated by the Commonwealth of Virginia relating to construction, maintenance, and operations at the Breaks Interstate Park. In accordance with the Breaks Interstate Compact this appropriation is contingent upon an appropriation by the Commonwealth of Virginia adequate to match this amount on an equal basis; provided, however, that appropriations to date shall be considered cumulatively, and any deficit in appropriations by this state may be removed.

77. STATE FAIR BOARD

1984-85	$ 5,405,700
1985-86	$ 5,446,000

Included in the above appropriation is at least $5,400,000 in fiscal year 1984-85 and $5,400,000 in fiscal year 1985-86 for debt service.

TOTAL - TOURISM

1984-85	$ 25,861,600
1985-86	$ 29,770,500

O. TRANSPORTATION

78. TRANSPORTATION CABINET

a. General Administration and Support

1984-85	$ 291,500
1985-86	$ 309,400

b. Air Transportation

1984-85	$ 1,396,100
1985-86	$ 1,442,900

Included in the above appropriation is $72,400 in fiscal year 1984-85 and $74,500 in fiscal year 1985-86 for debt service. Also, included within the above is $200,000 per fiscal year in General Funds budgeted to establish a public utility airport maintenance fund. Funds appropriated are to be matched on a 50% basis with funds provided by local airport boards for projects aimed at maintaining public utility airports in the state. Funds provided for state matching purposes shall be limited to $10,000 per airport and the Transportation Cabinet shall report to the Legislative Research Commission within thirty (30) days after the close of fiscal year 1984-85 and fiscal year 1985-86 on the projects accomplished with the funds appropriated.

c. Rail Transportation

1984-85	$ 75,000
1985-86	$ 77,600

d. Public Transportation

1984-85	$ 555,600
1985-86	$ 582,200

TOTAL - TRANSPORTATION

1984-85	$ 2,318,200
1985-86	$ 2,412,100

TOTAL - EXECUTIVE DEPARTMENT OF STATE GOVERNMENT

1983-84	$ 2,508,700
1984-85	$2,382,212,900
1985-86	$2,551,820,600

PART II
TRUST AND AGENCY FUNDS

There is appropriated to the various officers, cabinets, departments, boards, commissions, institutions, subdivisions, and other agencies of the State Government only as are listed herein for the fiscal year ending June 30, 1985, and for the fiscal year ending June 30, 1986, all of the fees (which include fees for board and room, athletics, and student activities) and rental, admittances, sales, bond proceeds, licenses collected by law, gifts, subventions, contributions, income from investments and other miscellaneous receipts produced or received by any of the following agencies of the State Government, except as otherwise specifically provided, for the use and benefit of each of the below-named agencies of the State Government for the purposes for which each fund is authorized. Receipts which are received by each of the respective agencies of the State Government listed herein shall be placed to the credit of a Trust and Revolving, or an Agency Fund out of which shall be established separate Trust and Revolving or Agency Fund accounts for the use and benefit of these agencies of the State Government for purposes for which each fund is authorized. All funds received shall be deposited in the State Treasury and credited to the proper account as provided by KRS Chapters 12, 42, 45, and 48.

In the event receipts received and credited to any Trust and Revolving or Agency Fund account during fiscal year 1984-85 or fiscal year 1985-86 and any balance forwarded to the credit of any such account from the previous year, exceed, by the sum of five percent (5%), the appropriation made by specific sum to said account for the fiscal year in which the excess occurs, said excess shall become available for expenditure for the purpose of the account during said year only with the authorization of the Executive Director of the Governor's Office for Policy and Management upon approval of the Secretary of the Finance and Administration Cabinet; provided, however, that institutions of higher education may receive and expend all trust and agency funds without limitation.

Except as herein otherwise provided, the appropriate agency may requisition for expenditure from the Trust and Revolving or Agency Fund account, through the Finance and Administration Cabinet, during the fiscal year ending June 30, 1985, and during the fiscal year ending June 30, 1986, all receipts placed to the credit of the Trust and Revolving or Agency Fund for such year, out of which has been established a Trust and Revolving or Agency Fund account for each separate agency during such fiscal year, in addition to any balance which said agency may have had forwarded from the preceding year on or before August 31, of the then current fiscal year, by the Finance and Administration Cabinet. On or before the beginning of each fiscal year, each agency, other than institutions of higher education, shall submit to the Finance and Administration Cabinet and the Legislative Research Commission schedules for each budget unit showing estimated receipts and estimated expenditures, a comparative statement of any revised estimated receipts and expenditure with amounts provided in the executive budget as adopted by the 1984 General Assembly, and statements which explain the occurrence of such variances.

In the event a budget unit not listed herein receives unanticipated monies, the Secretary of the Finance and Administration Cabinet, upon written request from the agency head with appropriate documentation of the amount, source, purpose, necessity and use of such monies, may authorize, upon recommendation of the Governor's Office for Policy and Management, the credit and expenditure of such funds for statutory purposes. The Secretary of the Finance and Administration Cabinet shall cause to be established a restricted account for the receipt and disbursement of such funds and shall establish the maximum sum which may be credited and expended from the authorized account. The Secretary of the Finance and Administration Cabinet, in consultation with the Interim Joint Committee on Appropriations and Revenue, shall provide appropriate notice pursuant to this event to the Legislative Research Commission.

A. GOVERNMENT OPERATIONS

1. SECRETARY OF STATE

All operating receipts from all activities of the office of the Secretary of State shall be deposited in the State Treasury to the credit of the General Fund.

2. BOARD OF ELECTIONS

1984-85	$ 76,800
1985-86	$ 35,000

3. TREASURY

1984-85	$ 305,400
1985-86	$ 165,000

4. DEPARTMENT OF LAW

1984-85	$ 1,487,000
1985-86	$ 1,527,900

5. AUDITOR OF PUBLIC ACCOUNTS

1984-85	$ 737,800
1985-86	$ 500,000

The Auditor of Public Accounts shall quarterly notify the Finance and Administration Cabinet of the status of the collection of fees charged for county audit work conducted, and the Finance and Administration Cabinet shall withhold any monies due any county government which is delinquent in payment of fees to the Auditor of Public Accounts for the term of one hundred and twenty (120) days until the Auditor of Public Accounts has received full payment from the county. The Auditor of Public Accounts is hereby authorized to increase the audit fees for conducting County Audits if additional revenues are needed to continue the operation of the office.

6. DEPARTMENT OF MILITARY AFFAIRS

a. General Operations

1984-85	$ 578,600
1985-86	$ 625,500

b. Disaster and Emergency Services

1984-85	$ 63,800
1985-86	$ 115,700

7. KENTUCKY HORSE COUNCIL

1984-85	$ 25,900
1985-86	$ 29,600

8. DEPARTMENT OF PERSONNEL

a. General Operations
1984-85 .... $ 486,400
1985-86 .... $ 641,800

b. Workers' Compensation
Benefits and Reserve

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9. PERSONNEL BOARD

1984-85 .... $ 45,500
1985-86 .... $ 24,500

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10. DEPARTMENT FOR LOCAL GOVERNMENT

1984-85 .... $ 858,200
1985-86 .... $ 851,400

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11. Kentucky Retirement Systems

1984-85 .... $ 1,378,200
1985-86 .... $ 1,416,400

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12. CAPITAL PLAZA

1984-85 .... $ 1,686,700
1985-86 .... $ 1,670,500

The above funds include $1,366,500 in fiscal year 1984-85 and $1,341,200 in fiscal year 1985-86 for debt service payment of the Capital Plaza. Also included in the above appropriations is $320,200 in fiscal year 1984-85 and $329,300 in fiscal year 1985-86 for general operations.

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13. COUNTY FEES

	1984-85	1985-86
Jefferson County	$9,396,600	$9,678,500
Kenton County	1,564,300	1,611,300
Campbell County	957,100	985,800
Fayette County	3,140,200	3,234,400
Daviess County	1,101,000	1,134,000
Pike County	1,089,500	1,122,200

County Fees for the following counties: Jefferson, Kenton, Fayette, Campbell, Daviess, and Pike are for paying the various officials of each county enumerated, seventy-five percent (75%) of the fees provided by law. This is to be paid, by the State, to these officials when their claims for fees have been presented to the Finance and Administration Cabinet in the form and manner prescribed by law and approved by the Secretary of the Finance and Administration Cabinet. Each Fiscal Court of said counties are to receive twenty-five percent (25%) of said fees as required by KRS 64.350.

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14. OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS

	1984-85	1985-86
a. Board of Accountancy	$244,600	$265,300
b. Board of Architects	$ 75,500	$ 77,400
c. Board of Auctioneers	$ 97,400	$101,900
d. Board of Barbers	$105,900	$109,200
e. Board of Chiropractic Examiners	$ 41,700	$ 43,100
f. Board of Dental Examiners	$238,900	$254,600
g. Board of Embalmers and Funeral Directors	$ 84,300	$ 86,300
h. Board of Engineers and Land Surveyors	$283,400	$289,300

i. Board of Hairdressers and Cosmetologists	$476,200	$517,900
j. Board of Hearing Aid Dealers	$ 9,900	$ 10,100
k. Board of Landscape Architecture	$ 10,200	$ 11,400
l. Board of Medical Licensure	$479,400	$581,100
m. Board of Nurses	$843,800	$918,100
n. Nursing Home Administrators Licensure Board	$ 40,100	$ 43,600
o. Board of Ophthalmic Dispensers	$ 12,000	$ 12,700
p. Board of Optometric Examiners	$ 40,000	$ 40,000
q. Board of Pharmacy	$274,300	$285,800
r. Board of Physical Therapy	$ 49,700	$ 50,200
s. Board of Podiatry	$ 2,900	$ 2,900
t. Board of Proprietary Education	$ 53,500	$ 58,600
u. Board of Psychology	$ 22,100	$ 23,000
v. Real Estate Commission		
1. Examination and Licensing	$460,000	$474,100
2. Real Estate Education Research and Recovery	$453,100	$509,600
w. Board of Social Workers	$ 38,400	$ 38,600
x. Board of Speech Pathologists and Audiologists	$ 9,600	$ 10,100
y. Board of Veterinary Examiners	$ 65,600	$ 65,600

15. PUBLIC EMPLOYEES DEFERRED COMPENSATION SYSTEM

1984-85 .... $ 89,400
1985-86 .... $ 77,900

16. KENTUCKY REINSURANCE ASSOCIATION

1984-85 .... $ 65,585,300
1985-86 .... $ 65,599,600

17. GOVERNMENTAL SERVICES CENTER

1984-85 .... $ 810,900
1985-86 .... $ 833,800

B. COMMERCE

18. DEPARTMENT OF ECONOMIC DEVELOPMENT

1984-85 .... $ 400,900
1985-86 .... $ 536,000

Included in the above appropriation is $178,300 in fiscal year 1984-85 and $170,300 in fiscal year 1985-86 for enabling legislation enacted by the 1984 General Assembly for implementation of a Business Information Clearinghouse program.

19. KENTUCKY DEVELOPMENT FINANCE AUTHORITY

1984-85 .... $ 14,791,100

1985-86	$ 9,737,200

The Authority shall lapse $100,000 during the first month of each fiscal year to the General Fund. These funds shall not represent any portion of the loan fund established by the $50 million bond authorization of the 1982 General Assembly.

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20. DEPARTMENT OF THE ARTS

1984-85	$ 186,400
1985-86	$ 191,400

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21. DEPARTMENT OF AGRICULTURE

1984-85	$ 1,466,200
1985-86	$ 1,528,200

The Milk Marketing Commission shall not incur any deficit in its operations and the Secretary of Finance and Administration is hereby directed to take any necessary actions to accomplish this purpose.

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22. TOBACCO RESEARCH BOARD

1984-85	$ 23,500
1985-86	$ 25,100

C. CORRECTIONS

23. CORRECTIONS CABINET

1984-85	$ 6,997,500
1985-86	$ 7,882,700

D. EDUCATION AND HUMANITIES

24. DEPARTMENT OF EDUCATION

a. General Administration	
1984-85	$ 2,458,700
1985-86	$ 2,417,700
b. Education for Exceptional Children	
1984-85	$ 425,100
1985-86	$ 402,600
c. Vocational Education	
1984-85	$ 19,447,900
1985-86	$ 21,009,200
d. Instruction	
1984-85	$ 72,300
1985-86	$ 68,300
e. Administrative Services and Budget Management	
1984-85	$ 255,000
1985-86	$ 255,000

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25. KENTUCKY EDUCATIONAL TELEVISION

1984-85	$ 300,000
1985-86	$ 300,000

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26. HISTORICAL SOCIETY

1984-85	$ 283,700
1985-86	$ 214,100

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27. LIBRARY AND ARCHIVES

1984-85	$ 416,900
1985-86	$ 482,500

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28. DEPARTMENT FOR THE BLIND

1984-85 .... $ 1,623,500
1985-86 .... $ 1,708,200

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29. KENTUCKY SCHOOL BUILDING AUTHORITY

1984-85 .... $ 179,000

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30. HERITAGE COUNCIL

1984-85 .... $ 500
1985-86 .... $ 500

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31. TEACHERS' RETIREMENT SYSTEM

1984-85 .... $ 1,253,400
1985-86 .... $ 1,388,400

E. ENERGY

32. KENTUCKY ENERGY CABINET

1984-85 .... $ 498,900
1985-86 .... $ 446,100

F. FINANCE AND ADMINISTRATION

33. FINANCE AND ADMINISTRATION CABINET

a. Office of the Secretary

1984-85 .... $ 428,900
1985-86 .... $ -0-

All funds received under any program of anti-recession or counter cyclical assistance enacted by the United States Congress are hereby appropriated to the Finance and Administration Cabinet to be used for the maintenance of basic services in and among the various agencies, cabinet, and departments of state government. Any portion of these funds may be transferred to other major program areas or agencies of state government for the purpose of continuing basic services; provided, however, that such transfers shall be used to reduce General Fund appropriations and shall not in any way increase the expenditure level authorized by the General Assembly.

b. State Office for Social Security

1984-85 .... $ 374,400
1985-86 .... $ 385,100

c. Office of Investment and Debt Management

1984-85 .... $ 205,800
1985-86 .... $ 214,900

d. Department of Administration

1984-85 .... $ 6,926,400
1985-86 .... $ 7,024,200

e. Department of Facilities Management

1984-85 .... $ 28,521,800
1985-86 .... $ 31,273,300

f. Department of Information Systems

1984-85 .... $ 20,063,700
1985-86 .... $ 20,911,500

G. HIGHER EDUCATION

34. HIGHER EDUCATION ASSISTANCE AUTHORITY

1984-85 .... $ 9,397,300
1985-86 .... $ 7,129,100

Included in the above appropriation is $4,510,600 in 1984-85 and $1,458,500 in 1985-86 for the Student Grant Program, $2,994,600 in 1984-85 and $3,137,100 in 1985-86 for the Student Loan Program, $1,007,100 in 1984-85 and $1,058,500 in 1985-86 for the Work Study Program, and $885,000 in 1984-85 and $1,475,000 in 1985-86 for the Education Excellence Incentive Program.

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35. UNIVERSITY OF KENTUCKY

1984-85	$202,677,700
1985-86	$211,312,900

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36. UNIVERSITY OF LOUISVILLE

1984-85	$ 67,699,900
1985-86	$ 68,857,100

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37. EASTERN KENTUCKY UNIVERSITY

1984-85	$ 37,667,700
1985-86	$ 38,267,000

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38. WESTERN KENTUCKY UNIVERSITY

1984-85	$ 24,370,400
1985-86	$ 25,527,000

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39. MOREHEAD STATE UNIVERSITY

1984-85	$ 16,427,400
1985-86	$ 17,190,900

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40. MURRAY STATE UNIVERSITY

1984-85	$ 18,469,900
1985-86	$ 18,384,400

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41. KENTUCKY STATE UNIVERSITY

1984-85	$ 4,553,300
1985-86	$ 4,795,200

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42. NORTHERN KENTUCKY UNIVERSITY

1984-85	$ 14,535,900
1985-86	$ 15,357,400

H. HUMAN RESOURCES

43. CABINET FOR HUMAN RESOURCES

a. Department for Social Insurance

1. Benefits

1984-85	$ 3,596,400
1985-86	$ 6,185,600

b. Department for Employment Services

1984-85	$ 4,985,900
1985-86	$ 4,985,900

c. Department for Health Services

1984-85	$ 44,055,100
1985-86	$ 34,626,100

d. Department for Social Services

1984-85	$ 5,351,600
1985-86	$ 5,666,500

e. Executive Policy Support

1984-85	$ 4,338,400
1985-86	$ 4,338,400

I. JUSTICE

44. JUSTICE CABINET

a. Department of Training

1984-85	$ 8,731,700
1985-86	$ 9,165,600

Under the provisions of the Kentucky Law Enforcement Foundation Program Fund, an eligible local unit of government shall be entitled to receive a supplement to each qualified police officer's annual base salary from the Law Enforcement Foundation Program Fund, to be paid to each officer in addition to his regular salary as prescribed by KRS 15.460 and KRS 15.500. Included in the above appropriation is $8,568,000 in fiscal year 1984-85 and $8,996,400 in fiscal year 1985-86 receipts pursuant to KRS 136.340 for the purpose of the Kentucky Law Enforcement Foundation Program as enacted by the 1982 General Assembly. Also, included is $123,700 in fiscal year 1984-85 and $129,200 in fiscal year 1985-86 for the operation of the Kentucky Law Enforcement Council program and the administration of the KLEFPF funds.

b. Department of State Police

1984-85	$ 475,000
1985-86	$ 500,000

c. Justice Administration

1984-85	$ 2,700
1985-86	$ 1,400

J. LABOR

45. LABOR CABINET

a. General Administration and Support

1984-85	$ 1,618,600
1985-86	$ 1,834,500

b. Department of Workplace Standards

1984-85	$ 1,872,300
1985-86	$ 2,137,000

c. Department of Worker Claims

1984-85	$ 62,453,800
1985-86	$ 63,407,800

The above level of agency receipts is predicated on major changes in the assessment of the Worker's Compensation Maintenance Fund as defined in KRS Chapter 342.

K. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

46. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET

a. Department for Natural Resources

1984-85	$ 3,384,300
1985-86	$ 5,270,600

The maximum expenditure from the water patrol fund as established by KRS 235.330 is limited to $1,675,000 in fiscal year 1984-85 and $1,450,000 in fiscal year 1985-86, including $175,000 in fiscal year 1984-85 and $150,000 in fiscal year 1985-86 for the operation of the locks and dams on the Kentucky River. Any receipts in excess of the above limits including balance brought forward from fiscal year 1983-84 in each respective fiscal year shall be transferred to the Division of Water or Division of Waste Management as determined by the Secretary of the Finance and Administration Cabinet.

b. Department for Environmental Protection

1984-85	$ 794,800
1985-86	$ 809,800

c. Department for Surface Mining Reclamation and Enforcement

1984-85	$ 70,000
1985-86	$ 75,400

d. General Administration and Support

1984-85	$ 964,700
1985-86	$ 1,120,900

47.	KENTUCKY NATURE PRESERVES COMMISSION		
		1984-85	$ 41,000
		1985-86	$ 41,000

L. PUBLIC PROTECTION AND REGULATION

48.	DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL		
		1984-85	$ 3,500
		1985-86	$ 3,500
49.	DEPARTMENT OF BANKING AND SECURITIES		
		1984-85	$ 2,483,800
		1985-86	$ 2,753,000
50.	BOARD OF CLAIMS/CRIME VICTIMS' COMPENSATION		
		1984-85	$ 259,300
		1985-86	$ 275,000
51.	DEPARTMENT OF HOUSING, BUILDINGS, AND CONSTRUCTION		
		1984-85	$ 10,401,400
		1985-86	$ 11,001,000
52.	DEPARTMENT OF INSURANCE		
		1984-85	$ 1,669,000
		1985-86	$ 1,716,500
53.	KENTUCKY STATE RACING COMMISSION		
		1984-85	$ 3,262,800
		1985-86	$ 3,293,000
54.	BACKSIDE IMPROVEMENT COMMISSION		
		1984-85	$ 597,300
		1985-86	$ 598,000
55.	KENTUCKY HARNESS RACING COMMISSION		
		1984-85	$ 579,900
		1985-86	$ 597,400
56.	QUARTER HORSE AND APPALOOSA COMMISSION		
		1984-85	$ 87,000
		1985-86	$ 250,000
57.	DEPARTMENT OF MINES AND MINERALS		
		1984-85	$ 1,151,000
		1985-86	$ 1,212,500
58.	DEPARTMENT OF PUBLIC ADVOCACY		
		1984-85	$ 80,000
		1985-86	$ 85,000

59. PUBLIC SERVICE COMMISSION

1984-85	$ 4,100
1985-86	$ 4,400

M. REVENUE

60. REVENUE CABINET

a. Processing and Enforcement

1984-85	$ 708,800
1985-86	$ 740,000

b. Property Taxation and Property Valuation

1984-85	$ 378,800
1985-86	$ 450,000

N. TOURISM

61. DEPARTMENT OF PARKS

1984-85	$ 31,485,400
1985-86	$ 29,613,200

Included in the above appropriation is $1,470,000 in fiscal year 1985 and $1,473,000 in fiscal year 1986 for the debt service on revenue bonds issued in 1962, 1965, and 1967.

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62. KENTUCKY HORSE PARK

1984-85	$ 2,975,500
1985-86	$ 3,251,700

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63. FISH AND WILDLIFE RESOURCES

1984-85	$ 12,934,900
1985-86	$ 13,561,100

Beginning July 1, 1984, the Commission shall lapse to the General Fund at the beginning of each fiscal quarter one-quarter of a total $1,127,700 in fiscal year 1984-85 and one-quarter of a total $1,150,200 in fiscal year 1985-86. These funds shall represent investment income and other sources of revenue other than hunting and fishing fees.

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64. KENTUCKY STATE FAIR BOARD

1984-85	$ 12,800,200
1985-86	$ 13,483,300

O. TRANSPORTATION

65. DEPARTMENT OF TRANSPORTATION

a. Air Transportation

1984-85	$ 10,000
1985-86	$ 10,000

b. Highways

1984-85	$ 1,333,000
1985-86	$ 1,225,000

PART III
FEDERAL FUNDS

There is appropriated to the various officers, cabinets, departments, boards, commissions, institutions, subdivisions, and other agencies of the State Government only as are listed herein for the fiscal year ending June 30, 1985, and for the fiscal year ending June 30, 1986, Federal subventions, grants, contracts and other Federal funds received, income from investments and other miscellaneous Federal receipts received by any of the following agencies of the State Government, except as otherwise specifically provided, for the use and benefit of each of the below-named agencies of the State Government for the purposes for which each fund is authorized. Receipts which are received by each of the respective agencies of the State Government listed herein shall be placed to the credit of a Federal Fund out of which shall be established separate accounts for the use and benefit of these agencies of the State Government for purposes for which each fund is authorized. All funds received shall be deposited in the State Treasury and credited to the proper account as provided by KRS chapter 12, 42, 45, and 48.

In the event receipts received and credited to any Federal Fund account during fiscal year 1984-85 or fiscal year 1985-86, and any balance forwarded to the credit of any such account from the previous fiscal year, exceed, by the sum of five percent, the appropriation made by specific sum to said account for the fiscal year in which the excess occurs, said excess shall become available for expenditure for the purpose of the account during said year only with the authorization of the Executive Director of the Governor's Office for Policy and Management upon approval of the Secretary of the Finance and Administration Cabinet; provided, however, that institutions of higher education may receive and expend all Federal funds without limitation.

Except as herein otherwise provided, the appropriate agency may requisition for expenditure from the Federal Fund account, through the Finance and Administration Cabinet, during the fiscal year ending June 30, 1985, and during the fiscal year ending June 30, 1986, all receipts placed to the credit of the Federal Fund for such year, out of which has been established a Federal Fund account for each separate agency during such fiscal year, in addition to any balance which said agency may have had forwarded from the preceding year on or before August 31, of the then current fiscal year, by the Finance and Administration Cabinet. On or before the beginning of each fiscal year, each agency, other than institutions of higher education, shall submit to the Finance and Administration Cabinet and the Legislative Research Commission schedules for each budget unit showing estimated receipts and estimated expenditures for the ensuing fiscal year, a comparison of any revised estimates with the amounts provided in the Executive Budget as adopted by the 1984 General Assembly, and statements which explain the occurrence of such variances.

In the event a budget unit not listed herein receives unanticipated monies, the Secretary of the Finance and Administration Cabinet, upon written request from the agency head with appropriate documentation of the amount, source, purpose, necessity and use of such monies, may authorize, upon recommendation of the Governor's Office for Policy and Management the credit and expenditure of such funds for statutory purposes. The Secretary of the Finance and Administration Cabinet shall cause to be established a restricted account for the receipt and disbursement of such funds and shall establish the maximum sum which may be credited and expended from the authorized account. The Secretary of the Finance and Administration Cabinet, in consultation with the Interim Joint Appropriations and Revenue Committee, shall provide appropriate notice pursuant to this event to the Legislative Research Commission. No state agency which shall be entitled to receive federal funds which would represent one-hundred percent (100%) of the cost of a program in which the state participates shall decline to accept or receive such entitlement without notification to the Interim Joint Committee on Appropriations and Revenue of the Legislative Research Commission.

A. GOVERNMENT OPERATIONS

1. DEPARTMENT OF LAW

1984-85	$ 1,498,400
1985-86	$ 1,540,100

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2. DEPARTMENT OF MILITARY AFFAIRS

a. General Operations

1984-85	$ 1,033,200
1985-86	$ 1,072,300

b. Disaster and Emergency Services

1984-85	$ 1,334,700
1985-86	$ 1,274,900

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3. DEPARTMENT FOR LOCAL GOVERNMENT

1984-85	$ 36,546,700
1985-86	$ 35,416,000

B. COMMERCE

4. DEPARTMENT OF ECONOMIC DEVELOPMENT

1984-85	$ 37,500
1985-86	$ 18,700

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5. DEPARTMENT OF THE ARTS

1984-85	$ 437,600
1985-86	$ 437,600

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6. DEPARTMENT OF AGRICULTURE

1984-85	$ 2,098,300
1985-86	$ 2,220,200

C. CORRECTIONS

7. CORRECTIONS CABINET

1984-85	$ 45,800
1985-86	$ 39,400

D. EDUCATION AND HUMANITIES

8. DEPARTMENT OF EDUCATION

a. General Administration

1984-85	$ 2,229,400
1985-86	$ 2,247,400

b. Education for Exceptional Children

1984-85	$ 19,486,100
1985-86	$ 21,389,100

c. Instruction

1984-85	$ 63,662,600
1985-86	$ 63,386,100

d. Local Services

1984-85	$ 71,229,100
1985-86	$ 74,016,200

e. Vocational Education

1984-85	$ 16,305,100
1985-86	$ 15,626,500

f. Vocational Rehabilitation

1984-85	$ 17,575,000
1985-86	$ 18,383,100

g. Administrative Services and Budget Management

1984-85	$ 1,590,300
1985-86	$ 1,335,700

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9. LIBRARY AND ARCHIVES

1984-85	$ 1,199,400
1985-86	$ 1,175,100

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10. DEPARTMENT FOR THE BLIND

1984-85	$ 2,617,400
1985-86	$ 2,701,500

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11. ADVISORY COUNCIL ON VOCATIONAL EDUCATION

1984-85	$ 106,500
1985-86	$ 114,100

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12. HERITAGE COUNCIL

1984-85	$ 807,900
1985-86	$ 555,200

E. ENERGY

13. KENTUCKY ENERGY CABINET

1984-85	$ 519,800
1985-86	$ 428,000

F. HIGHER EDUCATION

14. HIGHER EDUCATION ASSISTANCE AUTHORITY

1984-85	$ 732,300
1985-86	$ 732,300

15. UNIVERSITY OF KENTUCKY

1984-85	$ 32,178,100
1985-86	$ 32,178,100

16. UNIVERSITY OF LOUISVILLE

1984-85	$ 9,605,700
1985-86	$ 9,605,700

17. EASTERN KENTUCKY UNIVERSITY

1984-85	$ 5,902,100
1985-86	$ 5,902,100

18. WESTERN KENTUCKY UNIVERSITY

1984-85	$ 4,427,100
1985-86	$ 4,427,100

19. MOREHEAD STATE UNIVERSITY

1984-85	$ 3,452,100
1985-86	$ 3,452,100

20. MURRAY STATE UNIVERSITY

1984-85	$ 4,444,100
1985-86	$ 4,444,100

21. KENTUCKY STATE UNIVERSITY

1984-85	$ 4,673,400
1985-86	$ 4,568,600

22. NORTHERN KENTUCKY UNIVERSITY

1984-85	$ 1,757,500
1985-86	$ 1,757,500

G. HUMAN RESOURCES

23. CABINET FOR HUMAN RESOURCES

a. Department for Social Insurance

1. Administration

1984-85	$ 68,547,100
1985-86	$ 73,787,400

2. Benefits

1984-85	$460,717,100
1985-86	$492,525,700

The Secretary of the Cabinet is hereby directed to transfer at least 10% of federal receipts for the Home Energy Assistance Program Block Grant to the Aging Services Subprogram for Home Care for the

Elderly in the Department for Social Services, in each year of the biennium.

b. Department for Employment Services	
1. Administration - Unemployment Insurance	
1984-85	$ 18,745,400
1985-86	$ 20,620,000
2. Benefits - Unemployment Insurance	
1984-85	$339,900,000
1985-86	$373,890,000
3. Employment Services	
1984-85	$ 65,500,000
1985-86	$ 65,418,800
c. Department for Health Services	
1984-85$	45,255,600
1985-86	$ 45,072,500
d. Department for Social Services	
1984-85	$ 73,517,900
1985-86	$ 75,188,400

In the event receipts from the Social Services Block Grant ($39,311,000 in fiscal year 1984-85 and $46,484,400 in fiscal year 1985-86) exceed the budgeted revenues as estimated above, such excess receipts shall be utilized within the Aging Subprogram of the Department for Social Services for Home Care services for the Elderly. The Department may use these excess receipts to reduce, on a dollar for dollar basis, the transfer of Federal Home Energy Assistance funds from the Department for Social Insurance; provided, however, that the Department for Social Insurance obligates such returned sums to increase funds available in the elderly component of the Home Energy Assistance Program.

e. Executive Policy Support	
1984-85	$ 11,030,600
1985-86	$ 11,030,600

H. JUSTICE

24. JUSTICE CABINET	
a. Justice Administration	
1984-85	$ 860,700
1985-86	$ 29,900
b. Department of State Police	
1984-85	$ 769,200
1985-86	$ 558,000

I. LABOR

25. LABOR CABINET	
a. General Administration and Support	
1984-85	$ 336,500
1985-86	$ 383,700
b. Department of Workplace Standards	
1984-85	1,929,700
1985-86	2,136,900
c. Kentucky Occupational Safety and Health Review Commission	
1984-85	$ 253,700
1985-86	$ 285,800

J. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

26. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET	
a. Department of Natural Resources	
1984-85	$ 3,099,000
1985-86	$ 3,446,000
b. Department of Environmental Protection	

1984-85 $ 5,983,500
1985-86 $ 5,963,300

c. Department of Surface Mining Reclamation and Enforcement
1984-85 $ 11,376,600
1985-86 $ 11,944,200

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27. ENVIRONMENTAL QUALITY COMMISSION
1984-85 $ 2,800

K. PUBLIC PROTECTION AND REGULATION

28. DEPARTMENT OF MINES AND MINERALS
1984-85 $ 481,800
1985-86 $ 500,000

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29. DEPARTMENT OF PUBLIC ADVOCACY
1984-85 $ 136,400
1985-86 $ 136,400

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30. PUBLIC SERVICE COMMISSION
1984-85 $ 103,300
1985-86 $ 113,000

L. TOURISM

31. DEPARTMENT OF FISH AND WILDLIFE RESOURCES
1984-85 $ 3,844,300
1985-86 $ 4,154,100

M. TRANSPORTATION

32. TRANSPORTATION CABINET
a. Air Transportation
1984-85 $ 11,600
1985-86 $ 11,600
b. Rail Transportation
1984-85 $ 200,000
1985-86 $ 200,000
c. Public Transportation
1984-85 $ 2,454,300
1985-86 $ 2,451,500
d. Highways
1984-85 $266,719,000
1985-86 $254,589,400

If federal receipts due to the Commonwealth are in excess of the above appropriations, such funds are hereby appropriated.

PART IV
ROAD FUND

KRS 48.010(13)(g) provides that the Road Fund shall consist of money derived from excise or license taxation relating to gasoline and other motor fuels, and monies derived from fees, excise or license taxation relating to registration, operation or use of vehicles for use on public highways.

The following monies are appropriated from the Road Fund:

A. TRANSPORTATION

1. TRANSPORTATION CABINET
a. General Administration and Support
1984-85 $ 34,282,700

1985-86 .... $ 36,655,600

b. Highways

1984-85 .... $465,928,300
1985-86 .... $476,045,400

1. Included within the above appropriation is $60,843,300 in fiscal year 1984-85 and $51,743,300 in fiscal year 1985-86 for resurfacing of the state highway system.

2. Included within the above appropriation is $14,168,400 in fiscal year 1984-85 and $13,687,300 in fiscal year 1985-86 for state construction projects. The Secretary of Transportation may use State Construction appropriations for emergencies which occur on county roads, e.g. bridge failures, severe snow and ice, slips and slides.

3. The General Assembly does hereby authorize the issuance of up to $300 million in Economic Development Road Bonds in the 1984-86 fiscal biennium. The authorization provided shall be reduced by the amount of Economic Development Road Bonds issued in the 1982-84 biennium pursuant to **HB 295**, the 1982-84 biennial budget bill. Included within the above appropriation is $16,250,000 in fiscal year 1984-85 and $32,500,000 in fiscal year 1985-86 for debt service on Economic Development Road Bonds.

4. Included within the above appropriation is $55,335,100 in fiscal year 1984-85 and $50,853,700 in fiscal year 1985-86 for toll road lease rental.

5. Included within the above appropriation is $46,911,700 in fiscal year 1984-85 and $46,906,900 in fiscal year 1985-86 for debt service on Resource Recovery Road projects. Pursuant to KRS 143.090, it is the intent of the General Assembly that $46,911,700 in fiscal year 1984-85 and $46,906,900 in fiscal year 1985-86 in coal severance tax receipts shall be deposited in the Road Fund. The amount to be deposited represents anticipated lease rental payments each fiscal year, to be paid by the Transportation Cabinet to the Kentucky Turnpike Authority, on Resource Recovery Road projects. The Secretary of Finance is directed to take all necessary action to see that the intent of the General Assembly is carried out.

6. Included within the above appropriation is $29,445,000 in fiscal year 1984-85 and $29,484,000 in fiscal year 1985-86 for the County Road Aid program.

7. Included within the above appropriation is $41,902,500 in fiscal year 1984-85 and $41,958,000 in fiscal year 1985-86 for the Rural Secondary Road Program. In addition, pursuant to the duties and responsibilities of county judge/executives associated with the administration of the local county road program beginning January 1, 1978, the expense allowance for each county judge/executive shall be paid from the Road Fund. These expenses shall be paid from those appropriated funds for the rural and secondary road revenue sharing program as provided in KRS 177.360 and KRS Chapter 67.

8. Included within the above appropriation is $12,646,250 in fiscal year 1984-85 and $12,663,000 in fiscal year 1985-86 for the Municipal Aid program.

ROAD FUND

TOTAL - TRANSPORTATION CABINET

1984-85 .... $500,211,000
1985-86 .... $512,701,000

Total permanent full-time positions in the Transportation Cabinet shall not exceed 6,517 permanent full-time positions, each fiscal year of the biennium.

PART V

CAPITAL CONSTRUCTION

A. COMMERCE

1984-85 *1985-86*

1. Office of the Secretary
   a. Economic Development Projects
   Bond Fund (Fiscal Year 1983-84)

Included in the above bond authority are the following projects: American Greeting Card Company, $1,400,000; Jefferson County Vehicle Emission Program, $1,300,000; Capital Plaza Renovation and Relocation Project; $550,000; Ashland Hotel, $2,000,000; Paintsville Lake Boat Ramp and Improvements, $400,000; Freedom Hall Renovation, $12,600,000; Equine Research Center, $3,000,000; Lexington Council of the Arts, $250,000; Lexington Galleria-Coal Center, $15,000,000; Kentucky Horse Park-Covered Arena, $1,000,000.

Economic Development Bonds shall not be used for building projects of state agencies.

B. CORRECTIONS

1. Blackburn Correctional Complex-Electrical System Upgrade Bond Fund (1983-84-$400,000)		
2. Kentucky State Penitentiary - Sewage and Water Plant Upgrade Bond Fund (1983-84-$200,000)		
3. Kentucky State Reformatory-Freezer Facility Bond Fund (1983-84-$225,000)		
4. Western Kentucky Farm Center-100-Bed Dorm Addition Bond Fund (1983-84-$550,000)		
5. Kentucky State Reformatory-Steam Line Repair Bond Fund (1983-84-$500,000)		
6. Kentucky State Reformatory-Electrical Distribution System Bond Fund (1983-84-$200,000)		
7. Kentucky State Reformatory-Waste Incinerator and Heat Recovery Boiler Bond Fund (1983-84-$350,000)		
8. Northpoint Training Center-Electrical Distribution System Replacement Bond Fund		903,000
9. Northpoint Training Center-Steam Line Replacement Bond Fund	277,000	
10. Kentucky State Reformatory-Renovation or construction of 2 Dormitories Bond Fund	100,000	3,000,000
11. Kentucky State Penitentiary-Conversion of Cellhouses 1 and 2 Bond Fund	700,000	1,460,000
12. Northpoint Training Center-Academic/Vocational Education Building Bond Fund		500,000
13. Security Bus Investment Income	60,000	
14. Kentucky Correctional Institution for Women-Facility Upgrade Bond Fund		5,375,000

Debt Service is not provided for Project 14, various projects at the Kentucky Correctional Institution for Women, as the matter is being litigated before the Federal Court and the security level of housing required is a point of debate. It is the General Assembly's intention, as reflected in this Capital Construction Budget, to authorize bonds for facilities' construction or renovation as required by the Court in settlement of said litigation; resulting debt service and any operational expenses shall be allotted from the General Fund Surplus account (KRS 48.700) and such funds are hereby appropriated.

C. EDUCATION AND THE HUMANITIES

For the major equipment purchase displayed in this section as a General Fund supported project, it is anticipated that these funds shall be transferred from the operating fund at such time as funds are available and needed. The total project cost shown does not reflect an addition to the operating fund appropriation.

1. Eastern Kentucky Rehabilitation Center-External Repairs		
Investment Income	436,600	
Federal Fund	*313,400*	
TOTAL	750,000	
2. Mayo State Vocational/Technical School-Floor and Structural Repairs		
Investment Income	280,000	
3. Kentucky School for the Blind-Campus Lighting		
Investment Income		125,000
4. NCS Sentry 80 Computer System		
General Fund	170,200	

D. ENERGY

For the capital construction project displayed in this section as a General Fund supported project, it is anticipated that these funds shall be transferred from the operating fund at such time as funds are available and needed. The total project cost shown does not reflect an addition to the operating fund appropriation.

1. Laboratory Ventilation System		
General Fund	350,000	

E. FINANCE AND ADMINISTRATION

1. Facilities Management		
a. Emergency, Repair, Maintenance and Replacement Fund		
Investment Income	3,000,000	3,000,000
Revenue Sharing (1983-84-$781,000)		
b. Capital Construction and Equipment Purchase Contingency Fund		
Investment Income	500,000	500,000
c. Miscellaneous Projects		
Investment Income	250,000	250,000
d. Fire Sprinklers for New State Office Building		
Agency Fund	700,000	
e. Fire Sprinklers for Capital Plaza Tower		
Agency Fund	800,000	
f. Central Control System Expansion		
Revenue Sharing		
General Fund		

2. Department of Administration

	1984-85	1985-86
- Duplicator		
- Agency Fund	30,000	30,000
- Duplicator		
- Agency Fund	30,000	30,000
- Duplicator		
- Agency Fund	20,400	20,400

- Duplicator
- Agency Fund 20,400 20,400

3. Information Systems

For the major equipment purchases displayed in this section as agency fund supported projects, it is anticipated that the funds shall be transferred from the operating fund at such time as funds are available and needed. The total project costs shown do not reflect additions to the operating fund appropriations. This debt program is consistent with the definition of Building Projects in KRS 56.440(1)(4).

- Computer Equipment-
Debt Service
Payments
Investment Income 550,000 650,000
- Attached Processor
Bond Fund (1983-84-$400,000)
- AP Communications Unit
Bond Fund (1983-84-$115,000)
- Power and Coolant
Distribution Unit
Bond Fund(1983-84-$70,000)
- AP System Console
Bond Fund (1983-84-$60,000)
- Additional Memory
Bond Fund (1983-84-$46,700)
- Additional Memory
Bond Fund (1983-84-$300,000)
- Disk Controller
Bond Fund (1983-84-$49,700)
- Disk Controller
Bond Fund (1983-84-$63,600)
- Disk Controller
Bond Fund (1983-84-$75,000)
- Disk Controller
Bond Fund (1983-84-$67,700)
- Disk Controller
Bond Fund (1983-84-$46,000)
- Disk Controller
Bond Fund (1983-84-$78,600)
- Disk Controller
Bond Fund (1983-84-$79,700)
- Disk Controller
Bond Fund (1983-84-$60,500)
- Disk Controller
Bond Fund (1983-84-$100,000)
- Disk Drive
Bond Fund (1983-84-$50,000)
- Disk Drive
Bond Fund (1983-84-$50,000)
- Disk Drive
Bond Fund (1983-84-$50,000)
- Disk Drive
Bond Fund (1983-84-$50,000)
- Disk Drive
Bond Fund (1983-84-$82,800)
- Disk Drive
Bond Fund (1983-84-$84,200)
- Disk Drive
Bond Fund (1983-84-$59,300)
- Disk Drive
Bond Fund (1983-84-$72,000)
- Disk Drive
Bond Fund (1983-84-$72,000)
- Disk Drive
Bond Fund (1983-84-$54,600)

- Disk Drive		
Bond Fund (1983-84-$50,000)		
- Disk Drive		
Bond Fund (1983-84-$52,700)		
- Disk Drive		
Bond Fund (1983-84-$82,700)		
- Disk Drive		
Bond Fund (1983-84-$57,600)		
- Disk Drive		
Bond Fund (1983-84-$82,300)		
- Disk Drive		
Bond Fund (1983-84-$65,000)		
- Disk Drive		
Bond Fund (1983-84-$65,000)		
- Disk Drive		
Bond Fund (1983-84-$65,000)		
- Disk Drive		
Bond Fund (1983-84-$116,000)		
- Processor-Mainframe		
Bond Fund (1983-84-$2,770,600)		
- Disk Controller		
Bond Fund (1983-84-$100,000)		
- Disk Drive		
Bond Fund (1983-84-$116,000)		
- Disk Drive		
Bond Fund (1983-84-$84,200)		
- Disk Drive		
Bond Fund (1983-84-$84,200)		
- Disk Controller		
Bond Fund (1983-84-$100,000)		
- Disk Drive		
Bond Fund (1983-84-$116,000)		
- Disk Drive		
Bond Fund (1983-84-$84,200)		
- Disk Drive		
Bond Fund (1983-84-$116,000)		
- Disk Controller		
Bond Fund	100,000	-0-
- Disk Controller		
Bond Fund	100,000	-0-
- Disk Controller		
Bond Fund	100,000	-0-
- Disk Controller		
Bond Fund	100,000	-0-
- Disk Controller		
Bond Fund	-0-	100,000
- Disk Drive		
Bond Fund	100,000	-0-
- Disk Drive		
Bond Fund	100,000	-0-
- Disk Drive		
Bond Fund	100,000	-0-
- Disk Drive		
Bond Fund	100,000	-0-
- Disk Drive		
Bond Fund	100,000	-0-
- Disk Drive		
Bond Fund	100,000	-0-
- Disk Drive		
Bond Fund	100,000	-0-
- Disk Drive		
Bond Fund	100,000	-0-

- Disk Drive Bond Fund	-0-	100,000
- Disk Drive Bond Fund	80,000	-0-
- Disk Drive Bond Fund	80,000	-0-
- Disk Drive Bond Fund	80,000	-0-
- Disk Drive Bond Fund	80,000	-0-
- Disk Drive Bond Fund	80,000	-0-
- Disk Drive Bond Fund	80,000	-0-
- Disk Drive Bond Fund	80,000	-0-
- Disk Drive Bond Fund	80,000	-0-
- Disk Drive Bond Fund	80,000	-0-
- Disk Drive Bond Fund	80,000	-0-
- Disk Drive Bond Fund	80,000	-0-
- Disk Drive Bond Fund	80,000	-0-
- Disk Drive Bond Fund	80,000	-0-
- Disk Drive Bond Fund	80,000	-0-
- Disk Drive Bond Fund	-0-	80,000
- Disk Drive Bond Fund	-0-	80,000
- Disk Drive Bond Fund	80,000	-0-
- Disk Drive Bond Fund	80,000	-0-
- Disk Drive Bond Fund	80,000	-0-
- Disk Drive Bond Fund	80,000	-0-
- Disk Drive Bond Fund	80,000	-0-
- Disk Drive Bond Fund	80,000	-0-
- Disk Drive Bond Fund	80,000	-0-
- Disk Drive Bond Fund	80,000	-0-
- Disk Controller Upgrade Bond Fund	-0-	55,000
- Disk Controller Upgrade Bond Fund	-0-	55,000
- Disk Drive Upgrade Bond Fund	-0-	50,000
- Disk Drive Upgrade Bond Fund	-0-	50,000
- Disk Drive Upgrade Bond Fund	-0-	50,000
- Disk Drive Upgrade Bond Fund	-0-	50,000

- Disk Drive Upgrade		
Bond Fund	-0-	50,000
- Disk Drive Upgrade		
Bond Fund	-0-	50,000
- Disk Drive Upgrade		
Bond Fund	-0-	50,000
- Disk Drive Upgrade		
Bond Fund	-0-	50,000
- High Speed Printer		
Bond Fund (1983-84-$420,000)		
- Memory Upgrade		
Bond Fund	190,000	-0-
- Paging System Upgrade		
Bond Fund	110,000	-0-
- Additional Paging Subsystem		
Bond Fund	200,000	-0-
- Additional Paging Subsystem		
Bond Fund	200,000	-0-
- Power Convertor Module		
Bond Fund	179,000	-0-
- Cache Disk Controller		
Bond Fund	255,000	-0-
- Cache Disk Controller		
Bond Fund	255,000	-0-
- Cache Disk Controller		
Bond Fund	255,000	-0-
- Cache Disk Controller		
Bond Fund	-0-	255,000
- Hybrid Distributed System-Processor		
Bond Fund	630,000	-0-
- Hybrid Distributed System-Processor		
Bond Fund	630,000	-0-
- Hybrid Distributed System-Processor		
Bond Fund	-0-	633,000
- Hybrid Distributed System-Processor		
Bond Fund	-0-	633,000
- Hybrid Distributed System-Disk Controller		
Bond Fund	100,000	-0-
- Hybrid Distributed System-Disk Controller		
Bond Fund	100,000	-0-
- Hybrid Distributed System-Disk Drive		
Bond Fund	80,000	-0-
- Hybrid Distributed System-Disk Drive		
Bond Fund	80,000	-0-
- Hybrid Distributed System-Disk Drive		
Bond Fund	100,000	-0-
- Hybrid Distributed System-Communications Controller		

Bond Fund	109,000	-0-
- 3800 Printing Subsystem Upgrade		
Bond Fund	159,000	-0-
- Optical Disk Controller		
Bond Fund	75,000	-0-
- Optical Disk Drive		
Bond Fund	140,000	-0-
- Optical Disk Drive		
Bond Fund	140,000	-0-
- Optical Disk Drive		
Bond Fund	140,000	-0-
- Optical Disk Drive		
Bond Fund	140,000	-0-
- Optical Disk Drive		
Bond Fund	140,000	-0-
- Optical Disk Drive		
Bond Fund	140,000	-0-
- Tape Drive Controller		
Bond Fund	-0-	60,000
- Tape Drive Controller		
Bond Fund	-0-	60,000
- Tape Drive		
Bond Fund	-0-	60,000
- Tape Drive		
Bond Fund	-0-	60,000
- Tape Drive		
Bond Fund	-0-	60,000
- Tape Drive		
Bond Fund	-0-	60,000
- Tape Drive		
Bond Fund	-0-	60,000
- Tape Drive		
Bond Fund	-0-	60,000
- Tape Drive		
Bond Fund	-0-	60,000
- Tape Drive		
Bond Fund	-0-	60,000
- Tape Drive		
Bond Fund	-0-	60,000
- Tape Drive		
Bond Fund	-0-	60,000
- Tape Drive		
Bond Fund	-0-	60,000
- Tape Drive		
Bond Fund	-0-	60,000
- Tape Drive		
Bond Fund	-0-	60,000
- Tape Drive		
Bond Fund	-0-	60,000
- Tape Drive		
Bond Fund	-0-	60,000
- Telecommunications Controller Subsystem		
Bond Fund	291,000	-0-
- Telecommunications Controller Subsystem		
Bond Fund	291,000	-0-
- Upgrade Computer Processor Complex		

Bond Fund - Optical Scanner	4,087,637	376,363
Bond Fund - Optical Scanner	90,000	-0-
Bond Fund - Shared Logic Processor	-0-	90,000
Bond Fund - Shared Logic Processor	55,000	-0-
Bond Fund - Shared Logic Processor	55,000	-0-
Bond Fund - Shared Logic Processor	55,000	-0-
Bond Fund - Shared Logic Processor	55,000	-0-
Bond Fund - Shared Logic Processor	55,000	-0-
Bond Fund - Shared Logic Processor	55,000	-0-
Bond Fund - Shared Logic Processor	55,000	-0-
Bond Fund - Shared Logic Processor	55,000	-0-
Bond Fund - Distributed System-Disk Drive	55,000	-0-
Bond Fund - Distributed System-Disk Drive	100,000	-0-
Bond Fund - Distributed System-Disk Drive	80,000	-0-
Bond Fund - Distributed System-Communications Controller	80,000	-0-
Bond Fund - Distributed System-Disk Controller	109,000	-0-
Bond Fund - Distributed System-Disk Drive		100,000
Bond Fund - Distributed System-Disk Drive		100,000
Bond Fund - Distributed System-Disk Drive		80,000
Bond Fund - Distributed System-Disk Controller		80,000

Bond Fund		100,000
- Distributed System-Disk Drive		
Bond Fund		100,000
- Distributed System-Disk Drive		
Bond Fund		80,000
- Distributed System-Disk Drive		
Bond Fund		80,000
- Distributed System-Communications Controller		
Bond Fund		109,000
- Distributed System-Communications Controller		
Bond Fund		109,000
- Office Automation Telecommunications Processor		
Bond Fund	55,000	-0-

F. HIGHER EDUCATION

For the major equipment purchases and capital construction projects displayed in this section as agency fund and Federal Fund supported projects, it is anticipated that the funds shall be transferred from the operating fund of each university at such time as funds are available and needed. The total project costs shown do not reflect additions to the operating fund appropriations.

For the capital equipment project displayed in this section as a General Fund supported project, it is anticipated that these funds shall be transferred from the operating fund at such time as funds are available and needed. The total project cost shown does not reflect an addition to the operating fund appropriation.

1. DEC PDP 11/34 Computer		
General Fund	75,000	
2. Council on Higher Education		
a. Major Maintenance Fund		
Investment Income	1,500,000	1,000,000
3. Eastern Kentucky University		
a. Minor Projects		
Agency Fund	934,000	953,000
b. Microscopic System		
Agency Fund	85,000	
c. Geophysical System		
Agency Fund	65,000	
d. Gas Chromatograph/ Mass Spectrometer		
Agency Fund	85,000	
e. Thermal Analyzer		
Agency Fund		65,000
f. Computer Numerical Control Tuning Center		
Agency Fund	86,000	85,000
g. Energy Management System		
Agency Fund	500,000	
h. 2 Buses		
Agency Fund	175,000	175,000
i. Office Systems and Word Processing		
Agency Fund		250,000

j. Technovate Pneumatic Unit		
Agency Fund		63,000
k. Academic Computer Expansion		
Agency Fund	461,000	300,000
l. Library System		
Agency Fund		500,000
4. Kentucky State University		
a. Listening Laboratory		
Agency Fund	80,000	
b. Atwood Hall		
Agency Fund	4,500,000	
c. Mini-computer System		
Agency Fund	250,000	250,000

The following projects are a part of the Higher Education Desegregation Plan to enhance the physical facilities of Kentucky State University. Bond funds in the amount of $10,850,000 are hereby authorized for projects selected from this approved list. The additional projects enumerated are hereby authorized to be transferred from agency funds at such time as funds are available and needed. Projects identified here from the desegregation plan may be financed from either bond funds or agency funds upon determination by Kentucky State University, and the approval of the Council on Higher Education and the Secretary of the Finance and Administration Cabinet, the provisions of KRS 45.750-45.800. Projects funded from this bond issue shall be submitted to the Capital Construction and Equipment Purchase Oversight Committee for review under the provisions of KRS 45.750-45.800.

d. Hume Hall Renovation		
Bond Fund		
(1983-84-$1,800,000)		
e. Minor Renovations		
Bond Fund		
(1983-84-$200,000)		
f. Combs Hall Renovation	1,000,000	
g. Completion of Utilities Tunnel	4,500,000	
h. Carver Hall Renovation	2,000,000	
i. Bell Gymnasium Renovation	800,000	
j. Roads, Walkways, and Landscaping	750,000	
k. Hathaway Hall Renovation-Interior and Exterior Painting	80,000	
l. Minor Renovations - Academic Facilities	108,000	
m. Young Hall Renovations	2,605,100	
n. Bradford Hall Renovation	230,000	
o. Blazer Library and Annex Renovation	700,000	
p. Roads and Walkways - Hathaway Hall to Bell Gymnasium	125,000	
q. Conversion of Old Heating Plant to Welding Shop	225,000	
r. Health Center HVAC Upgrade	75,000	
s. Minor Renovations	215,000	
5. Morehead State University		
a. Industrial Robotics		
Agency Fund	75,000	
b. Environmental Control System		
Agency Fund	75,000	

c. Studio TV Camera		
Agency Fund	55,000	
d. Video Tape Recorder		
Agency Fund		66,000
e. Dishwasher		
Agency Fund	65,000	
f. Prime 950 System		
Agency Fund		
(1983-84-$521,900)		
g. Computer Lease/Purchase		
Agency Fund	85,000	85,000
h. CAD System		
Agency Fund		60,000
i. Mays Hall Men's Dormitory		
Agency Fund		1,366,000
j. Fields Hall Women's Dormitory		
Agency Fund	1,884,000	593,000
6. Murray State University		
a. Central Pedestrian Walk-Phase II		
Agency Fund		
(1983-84-$264,000)		
b. Boy Scout Museum Renovations		
Agency Fund	300,000	
c. IBM 4341 Upgrade		
Agency Fund	190,000	
d. Renovation of Space-Technology Programs		
Agency Fund	2,055,000	1,000,000
7. Northern Kentucky University		
a. Parking Structure		
Bond Fund	2,900,000	
b. Master Plan Update		
Agency Fund	92,000	
c. University College Renovation		
Agency Fund	375,000	
d. Central Monitoring System Expansion		
Agency Fund	225,000	
e. Information Word Processing		
Agency Fund	350,000	
f. Heidelberg Offset Press		
Agency Fund	72,000	
g. Compugraphic Typesetting		
Agency Fund	60,000	
h. Telecommunications Upgrade		
Agency Fund	550,000	
i. Corten Steel Roof Repairs - Library, Landrum Hall, Fine Arts Building, University Center, and Science Building		
Agency Fund	188,000	
j. Compliance with Elevator		

Codes - Nunn Hall Science Building, and Library		
Agency Fund	70,000	
k. University Center Roof Replacement		
Agency Fund		168,000
l. Campus Roadway Development		
Agency Fund	294,300	
m. Parking Lot/Roadway Lighting		
Agency Fund		315,000
n. Recreation Facility Renovation		
Agency Fund		406,000
o. Bus		
Agency Fund	130,000	
p. Xerox 9500 VR		
Agency Fund	125,000	
q. Carpet Replacement - Science Building		
Agency Fund		76,000
r. Maintenance Building - Roof Repair		
Agency Fund		20,000
8. University of Kentucky		
a. Hospital Expansion - Phase I		
Agency Fund	1,000,000	1,275,000
b. Hospital Expansion - Phase II		
Bond Fund	75,406,500	
c. Hospital Expansion - Phase III		
Bond Fund		16,726,700
d. Dog Runs - Spindletop Farm Conditioning Facility		
Agency Fund	200,000	
e. Animal Care Facility		
Agency Fund		2,240,000
f. Self-Care Facility		
Bond Fund		4,000,000
Agency Fund		*3,692,000*
TOTAL		7,692,000
g. Road and Site Improvements		
Agency Fund	500,000	1,840,000
h. Waterproof Stadium		
Agency Fund	1,200,000	
i. Medical Center HVAC Upgrading		
Agency Fund		350,000
j. Clinic Support Unit I Renovation		
Agency Fund	250,000	
k. Parking Structure #3 Expansion		
Agency Fund		
l. Renovation of Old Pharmacy Building		

Agency Fund		925,000
m. Medical Sciences Research Labs		
Agency Fund		262,000
n. Jefferson Community College Property Acquisition		
Agency Fund (1983-84 - $950,000)		
o. Elizabethtown Community College Parking Lot and Lighting		
Agency Fund	290,000	
p. Ashland Community College Parking Lot and Lighting		
Agency Fund	275,000	
q. Paducah Science Lab Renovation		
Agency Fund	250,000	
r. Renovation of Hood Exhaust System - Research Building #3		
Agency Fund	500,000	
s. Clinical Lab Mass Spectrometer		
Agency Fund	110,000	
t. Hospital Administration Computer		
Agency Fund	1,200,000	
u. Television Tape Recorders		
Agency Fund	187,000	
v. Word Processing System		
Agency Fund	110,000	
w. Chancellor Mini-computer		
Agency Fund	195,000	
x. Dentistry Mini-computer		
Agency Fund	150,000	
y. Diagnostic Radiology Fluroscope		
Agency Fund	90,000	
z. Agriculture Controlled Environment		
Agency Fund	50,000	
aa. Diagnostic Radiology Tomography Generator/Transformer		
Agency Fund	69,000	
ab. Diagnostic Radiology Fluroscopy C-Arm Unit		
Agency Fund	80,000	
ac. Clinical Lab Coulter S Plus		
Agency Fund	80,000	
ad. Bechman Edman Sequencer		
Agency Fund	86,000	
ae. Computerized ECG		

Equipment		
Agency Fund	250,000	
af. Medical Records Mini-computer		
Agency Fund	200,000	
ag. Ag HP Model 64 Computer		
Agency Fund		225,000
ah. Library Communications System		
Agency Fund		100,000
ai. Geology Logitech Automatic Thin Section Cutting Machine		
Agency Fund	50,000	
aj. Instructional Resources Remote Television		
Agency Fund		125,000
ak. Diagnostic Radiology Chest Digital Substraction Angiography		
Agency Fund	400,000	
al. Radiation Medicine Unit		
Agency Fund	550,000	
am. Nuclear Medicine Camera Replacement		
Agency Fund	150,000	
an. Radiation Medicine Superficial Unit		
Agency Fund	80,000	
ao. Nuclear Magnetic Resonance Equipment		
Agency Fund	600,000	
ap. Coal Front Loader		
Agency Fund	100,000	
aq. Documail Sorting System		
Agency Fund	120,000	
ar. Controlled Environment Room Equipment		
Agency Fund	50,000	50,000
as. Diagnostic Radiology Urographic Unit Replacement		
Agency Fund	150,000	
at. Plasma Emission Spectrograph		
Agency Fund	75,000	
au. Thermovision System		
Agency Fund		60,000
av. Liquid Chromatograph		
Federal Fund		50,000
Agency Fund		*100,000*
TOTAL		150,000
aw. Fine Arts Sound System		
Agency Fund	75,000	
ax. High Speed Duplicator		
Agency Fund	57,300	
ay. Gradient High Performance Liquid		

Chromatograph		
Agency Fund	51,000	
az. Perfecting Print Press		
Agency Fund	60,000	
ba. THRI Scanning Electron Microscope		
Agency Fund		
bb. High Pressure Liquid Chromatography		
Federal Fund	26,500	
Agency Fund	*26,500*	
TOTAL	53,000	
bc. Backhoe		
Agency Fund	65,000	
bd. Metallurgy Microstructure Image Analysis		
Agency Fund		50,000
be. Pediatric Echocardiograph		
Agency Fund	85,000	
bf. THRI Image Analysis System		
Agency Fund	140,000	
bg. Stores Inventory System		
Agency Fund	66,000	
bh. Auxiliary Services Access Identification System		
Agency Fund	71,000	
bi. Student Records Mini-computer		
Agency Fund	200,000	
bj. Computer Science Graphics Laboratory		
Agency Fund	80,000	
bk. DEC PDP 11/34 Computer		
Agency Fund		
bl. Pharmacy Mini-computer		
Agency Fund	165,000	
bm. Patient Care Charge System		
Agency Fund	80,000	
bn. Energy Management System		
Agency Fund	375,000	735,000
bo. Order Entry System		
Agency Fund		500,000
bp. Clinical Analyzer		
Agency Fund		140,000
bq. Astra 4 Clinical Analyzer		
Agency Fund		60,000
br. Clinical Lab Bactec 5 Unit		
Agency Fund		59,000
bs. Physics Vacuum		

Evaporator		
Agency Fund		51,000
bt. Digital Subtraction Agiology		
Agency Fund		740,000
bu. Medical Liquid Scintillation Counter		
Federal Fund		26,000
Agency Fund		*26,000*
TOTAL		52,000
bv. Laser Doppler Anaometer		
Agency Fund		160,000
bw. OBGYN Image Analysis System		
Agency Fund		165,000
bx. Chemistry FAB Ion Source		
Agency Fund		50,000
by. 20-Ton Dump Truck		
Agency Fund		70,000
bz. Transmission Electron Microscope		
Agency Fund		75,000
ca. Biplane/Angiograph Replacement		
Agency Fund		580,000
cb. Medical Center Diet Conveyor Replacement		
Agency Fund		475,000
cc. Hypothermia Unit		
Agency Fund		250,000
cd. DNA Synthesizer		
Federal Fund		30,000
Agency Fund		*30,000*
TOTAL		60,000
ce. Road Rater		
Agency Fund		60,000
cf. Acoustic Emission Monitor		
Agency Fund		50,000
cg. Prime CPU Upgrade		
Agency Fund (1983-84-$425,000)	425,000	
ch. Central System Upgrade		
Agency Fund		595,000
ci. Data Communications Network		
Agency Fund	300,000	300,000
cj. Community College Mini-computer		
Agency Fund	375,000	275,000
ck. CAD/CAM System		
Agency Fund	530,000	
cl. Library Auto Circulation		
Agency Fund		
cm. Engineering Research Computer		
Agency Fund	200,000	
cn. Disk Storage		

Agency Fund		120,000
co. Agriculture Mini-Computer		
Agency Fund	225,000	
cp. Fire Safety Project-Funkhouser		
Agency Funds	190,000	
cq. Fire Safety Project-Medical Center Medical Science Wing		
Agency Fund	680,000	
cr. Fire Safety Project-Patterson Office Tower		
Agency Fund		1,775,000
cs. Central Heating Plant - Replace Metal Smoke Stacks		
Agency Fund	200,000	
ct. Medical Sciences Building - Replacement of 4 Elevators		
Agency Fund	500,000	
cu. Medical Sciences/ Dental Wing Replacement of Emergency Generator and Related Equipment		
Agency Fund		300,000
cv. Renovate Fume Hood System (Phase II)		
Agency Fund	300,000	
cw. Medical Center Sinage		
Agency Fund	250,000	
cx. Mining and Minerals Resources Building		
Bond Fund		
cy. Parking Structure #3 (Parking/ North Hospital)		
Bond Fund		
cz. McVey Hall Renovation		
Agency Fund		
da. Journalism Building Renovation		
Agency Fund		
db. Funkhouser Phase II Renovation		
Agency Fund		
dc. Aquatics Center		
Agency Fund	5,000,000	
9. University of Louisville		
a. Information Center		
Agency Fund	300,000	
b. IBM 4341 Additional Memory		
Agency Fund	100,000	170,000

c. Video Broadcast Instruction System		
Agency Fund	50,000	
d. Video Tape Recorder Replacement		
Agency Fund	110,000	
e. Telecommunications System		
Agency Fund	2,300,000	
f. Microcomputer Language System		
Agency Fund		250,000
g. TV Camera Replacements (4)		
Agency Fund		280,000
h. Academic Computer		
Agency Fund	1,560,000	
i. Speed School Graphics/ Mini-computer		
Agency Fund		150,000
j. Library System		
Agency Fund	410,000	
k. Graphics System		
Agency Fund		50,000
l. Speed School Computer		
Agency Fund		350,000
m. Disk Storage		
Agency Fund		120,000
n. Programming Language System		250,000
o. DEC P11/23 Support Hardware		
Agency Fund		80,000
p. Campus North Entrance Improvements		
Agency Fund	500,000	
q. Myers Hall		
Agency Fund	400,000	
r. Systems Building		
Agency Fund	430,000	
s. Schneidier Hall		
Agency Fund	500,000	
t. K, C, and G Buildings (Old General Hospital)		
Agency Fund	200,000	
u. Natural Science Building Renovation		
Bond Fund	320,000	
u. Speed School Renovation		
Agency Fund	500,000	
v. Stoddard - Johnson Building		
Agency Fund	350,000	
10. Western Kentucky University		
a. Garbage Truck		
Agency Fund	70,000	
b. Spectrometer		
Agency Fund	102,000	
c. TV Satellite Uplink		
Agency Fund		140,000
d. GC/Mass Spectrometer		
Agency Fund		100,000
e. Electron Microscope		
Agency Fund		100,000

f. Deferred Maintenance Projects		
Agency Fund	278,000	285,000
g. Interactive Computer		
Agency Fund	200,000	
h. Optical Character Reader		
Agency Fund		75,000
i. Utility Distribution and HVAC Systems, Initiate Repair and Replacement of Underground Services		
Agency Fund	100,000	

G. DEPARTMENT FOR HUMAN RESOURCES

1. Department for Health Services		
a. Miscellaneous Projects		
Investment Income	200,000	200,000
b. Central State Hospital Replacement Facility		
Bond Fund (1983-84-$3,426,000)		
2. Department for Social Services		
a. Miscellaneous Projects		
Investment Income	125,000	125,000
b. Lake Cumberland Boys Camp-Renovation of Dormitory and Restroom Facilities		
Investment Income		270,000
c. Juvenile Code Renovation		
General Fund		
3. Executive Policy Support		
a. Miscellaneous Projects		
Investment Income	250,000	250,000

H. JUSTICE

1. State Police		
a. Vehicles	590,000	100,000

I. MILITARY AFFAIRS

1. Major Maintenance and Repairs		
Investment Income	750,000	750,000
Federal Fund	*26,400*	*26,500*
TOTAL	776,400	776,500
2. Sikorsky S-76 Lease/Rental		
Investment Income	394,800	394,800
3. Jackson Armory		
Investment Income		
Federal Fund		
4. Hazard Armory		
Investment Income	100,000	
5. Ashland Organizational Maintenance Shop		
Investment Income	27,000	
Federal Fund	*112,100*	
TOTAL	139,100	
6. Maintenance of Helicopters		

Investment Income	65,000	35,000
7. Murray Armory		
General Fund	500,000	
Federal Fund	1,200,000	

J. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

1. State-Owned Dam Repair
Investment Income

The above appropriation shall not be used to repair dams owned by the Department of Fish and Wildlife Resources.

2. Kentucky Abandoned Lands-Reclamation Program		
Federal Fund	35,000,000	40,000,000

K. TOURISM

For the major equipment purchases and capital construction projects displayed in this section as agency fund and federal fund supported projects, it is anticipated that the funds shall be transferred from the operating fund at such time as funds are available and needed. The total project costs shown do not reflect additions to the operating fund appropriations.

1. Parks		
a. Miscellaneous Major Maintenance		
Investment Income	3,000,000	3,000,000
2. Kentucky Horse Park		
a. Miscellaneous Major Maintenance		
Investment Income	150,000	150,000
3. Fish and Wildlife Resources		
a. Land Acquisition		
Federal Fund	1,800,000	1,575,000
Agency Fund	*600,000*	*525,000*
TOTAL	2,400,000	2,100,000
b. Dam Maintenance		
Agency Fund	600,000	1,500,000
c. Guist Creek Dam Repair		
Agency Fund	900,000	
d. Road Grader		
Federal Fund		75,000
Agency Fund		*25,000*
TOTAL		100,000
e. Bulldozer		
Federal Fund	105,000	
Agency Fund	*35,000*	
TOTAL	140,000	
4. State Fair Board		
a. Major Maintenance, Renovation, and Repair Projects under $200,000		
Agency Fund	500,000	750,000
b. Waterproof Stadium, Coliseum, and East and West Wings		
Agency Fund	250,000	
c. Roof Coating for Coliseum and East and West Wings		
Bond Fund	750,000	
d. Boom Truck		
Agency Fund	75,000	

L. TRANSPORTATION

For the capital construction projects displayed in this section as Road Fund supported projects, it is anticipated that the funds shall be transferred from the operating fund at such time as funds are available and needed. The total project costs shown do not reflect additions to the operating fund appropriations.

1. Various Projects		
Road Fund	150,000	450,000
2. Woodford County Maintenance Facility		
Road Fund	300,000	

In the event that any authorized capital construction and/or equipment purchase projects are cancelled it is the intent of the General Assembly that any appropriated debt service for those same projects shall remain unallotted and lapse to the credit of the General Fund. Those projects set forth under the sub-heading "higher education" are subject to the action and approval of the Council on Higher Education and subject to approval of the Finance and Administration Cabinet. The provisions of KRS 45.750 through 45.990 notwithstanding, it is the intent of the General Assembly that capital construction projects at institution of higher education involving no state or federal funds, may be authorized between Regular Sessions of the General Assembly, providing that such projects receive prior approval from both the Council on Higher Education and the Secretary of the Finance and Administration Cabinet, and that the Capital Construction and Equipment Purchase Oversight Committee receives prior notification.

Notwithstanding the provisions of KRS 45.770, the Capital Construction and Equipment Purchase Contingency Fund may be used to advance funds to projects authorized to be financed by bonds and may be used to finance feasibility studies for projects which may be contemplated for future funding. Roof repair or replacement projects shall be eligible for Emergency Repair, Maintenance, and Replacement Fund allotments, subject to the provisions of KRS 45.780.

Inasmuch as the identification of specific projects in a variety of areas of the State Government cannot be ascertained with absolute certainty at this time, it is the purpose and intent of the General Assembly, the provisions of KRS 45.750 through 45.990 notwithstanding, to appropriate amounts for specific purposes to projects which are not individually identified herein in the following areas: Repair of State-Owned Dams, Economic Development Projects, Handicapped Access, and Fire and Life Safety projects. Any such projects estimated to cost over $200,000 and equipment estimated to cost over $50,000 shall be reported to the Capital Construction and Equipment Purchase Oversight Subcommittee.

All monies transferred to the Finance and Administration Cabinet for capital construction from any appropriations, including income from investments, shall be expended, accounted for, and otherwise treated in the same manner as funds appropriated directly to the Finance and Administration Cabinet for capital construction.

PART VI
GENERAL PROVISIONS

1. Except as otherwise explicitly authorized by this Act, nothing in this Act shall be construed to repeal any appropriation made hereinbefore or hereinafter for the fiscal year ending June 30, 1984, and nothing in this Act is to be construed as amending or altering the provisions of Chapters 42, 45, and 48 of the Kentucky Revised Statutes pertaining to the duties and powers of the Secretary of the Finance and Administration Cabinet. All questions that arise in interpreting any appropriation in this Act as to the purpose or manner for which such appropriation may be expended shall be decided by the Secretary of the Finance and Administration Cabinet in pursuant to KRS 48.500 and the decision of the Secretary of the Finance and Administration Cabinet shall be final and conclusive.

2. In enacting this Appropriation Act, it is the deliberate intention of the General Assembly to enact each section, and each subsection thereof as a separate and/or specific appropriation and law, and if any section, any subsection, or any provision thereof shall be held invalid or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions contained herein.

3. The Secretary of the Finance and Administration Cabinet is authorized to establish a system or formula or a combination of both for pro-rating the administrative costs of the Finance and Administration Cabinet, and the Departments of Treasury and Law relative to the administration of programs in which there is joint participation by the State and Federal Governments for the purpose of receiving the maximum amount of participation permitted under the appropriate Federal laws and regulations governing such programs.

4. All continuing appropriations in existence at the time this Act takes effect are discontinued and repealed by this Act except as provided by Chapters 12, 42, 56, 152, 177 and 341 of the Kentucky Revised Statutes. All laws and portions of laws in conflict with any of the provisions of this Section, to the extent of such conflict, are hereby repealed.

5. No state agency, cabinet, department, office, or program shall incur any obligation against the General Fund appropriations contained herein unless such obligation may be reasonably determined to have been contemplated in the enacted budget and is supported by appropriate work papers and other records pertaining thereto.

6. Any General Fund appropriation made herein in anticipation of a lack, loss, or reduction of Federal grants shall lapse to the General Fund to the extent such Federal Funds otherwise become available.

7. The Secretary of the Finance and Administration Cabinet shall cause the Governor's Office for Policy and Management, within forty-five days upon adjournment of the 1984 General Assembly, to prepare a final budget document based upon the Executive Budget proposal as enacted by the 1984 General Assembly as well as other acts which provide appropriations for the 1984-86 biennium and based upon supporting documentation and legislative records as considered by the 1984 General Assembly. This document shall include for each agency and budget unit a consolidated budget summary statement of available regular and continuing appropriated revenue by fund source, corresponding appropriation allocations by program or subprogram as appropriate, budget expenditures by principal budget class and such other fiscal data and commentary considered necessary by the Governor's Office for Policy and Management for budget execution and oversight. The enacted budget document and any adjustments thereto approved by the Governor's Office for Policy and Management and any supporting documents shall be communicated to the Interim Joint Committee on Appropriations and Revenue on a regular basis.

8. In the event that any authorized capital construction and/or equipment purchase projects are cancelled it is the intent of the General Assembly that any appropriated General Fund debt service for those same projects shall remain unallotted and lapse to the credit of the General Fund.

9. Pursuant to KRS 143.090, it is the intent of the General Assembly that $46,911,700 in fiscal year 1984-85 and $46,906,900 in fiscal year 1985-86 in coal severance tax receipts shall be deposited in the Road Fund. The amount to be deposited represents anticipated lease rental payments each fiscal year, to be paid by the Transportation Cabinet to the Kentucky Turnpike Authority, on Resource Recovery Road projects. The Secretary of Finance is directed to take all necessary action to see that the intent of the General Assembly is carried out.

10. The General Assembly recognizes that during fiscal year 1982-83 and fiscal year 1983-84, the General Fund revenues of the Commonwealth were less than the estimates upon which appropriations for those fiscal years were made by Part I, Chapter 398, of the 1982 Acts of the General Assembly. The General Assembly acknowledges that as a result of shortfalls in the revenues during the biennium for which funds were appropriated by the 1982 General Assembly the Secretary of Finance as directed by Paragraph 8, Part VI, Chapter 398, of the 1982 Acts of the General Assembly took action to prevent an overdraft or deficit in the finances of the Commonwealth through the reduction of appropriations made by PART I, Chapter 398, of the 1982 Acts of the General Assembly, and by various other actions, all as set forth in and provided by Orders 83-325 and 84-160 of the Secretary of Finance and Administration, which Orders are permanent records of the Commonwealth, on file in the Governor's Office for Policy and Management.

It is the intent of the General Assembly herein to ratify and confirm the appropriation levels appearing in Orders 83-325 and 84-160 of the Secretary of the Finance and Administration as the General Fund appropriations for fiscal year 1982-83 and fiscal year 1983-84, respectively, for the offices, boards, commissions, institutions, subdivisions and agencies of the Government of the Commonwealth of Kentucky, except so much thereof as relates to the appropriation to the Local Government Economic Assistance Fund for fiscal year 1983-84, which sum shall be determined as provided by KRS 45.450; it is the further intent of the General Assembly herein, the provisions of any other law of the Commonwealth to the contrary notwithstanding, to ratify and confirm the advances, transfers and lapsing to the General Fund of all non-General Fund monies as identified in said Orders 83-325 and 84-160 of the Secretary of the Finance and Administration, and to that end, the General Assembly hereby expressly ratifies, adopts, and enacts the appropriation levels contained in said Orders 83-325 and 84-160, including those provided for the Foundation Program as set forth and contained in KRS Chapters 157 and 157A and in Chapter 398 of the 1982 Acts of the General Assembly, as the appropriations for the offices, boards, commissions, institutions, subdivisions, and agencies of the Government of the Commonwealth for fiscal year 1982-83 and fiscal year 1983-84, and to the extent in conflict therewith the appropriation levels set forth in Part I, Chapter 398 of the 1982 Acts of the General Assembly shall be read as conforming to the levels of appropriation hereby enacted.

11. A Surplus Reserve Trust Fund is hereby established. In the event General Fund tax receipts exceed the official estimates in fiscal year 1984-85 and/or in fiscal year 1985-86 by an amount not greater than two and one-half percent (2.5 percent) of the estimate, the Surplus Reserve Trust Fund shall be appropriated 97.0 percent of the General Fund excess amount in fiscal year 1984-85, and shall be appropriated 97.1 percent of the General Fund excess amount in fiscal year 1985-86.

The Surplus Reserve Trust Fund shall be used in the event actual General Fund receipts during the 1984-85 fiscal year or the 1985-86 fiscal year are not sufficient to meet the General Fund appropriation levels authorized in this Act.

12. Pursuant to KRS Chapter 48 there is hereby established a budget reduction plan for the branches of state government for fiscal year 1984-85 and fiscal year 1985-86. This plan shall be for reduction in the respective budget recommendations for the various branch agencies of state government when projected tax receipts accruing to the General Fund and/or the Road Fund are at least 2 1/2 percent but not more than 5 percent less than the revenue estimates for these funds as determined by the official revenue estimate of the Secretary of the Revenue Cabinet of January 19, 1984. The budget reduction plan as herein provided shall be enacted in the following order: (1) statutory revenue-sharing programs shall be adjusted to equal revised estimates of receipts; (2) monies in the General Fund Surplus Account shall be applied; (3) unbudgeted excess restricted agency funds shall be transferred; debt service monies for authorized but unissued bonds shall lapse to the appropriate surplus fund account before branch head shall authorize any budget unit reduction of appropriations enacted in Part I of this Act or other branch budget bill.

All appropriation units and areas of state government will be subject to the budget reduction plan. Monies in General Fund Surplus Account created by KRS 48.700 shall be applied toward revenue shortfall in the General Fund. Monies in the Road Fund Surplus Account created by KRS 48.710 shall be applied toward revenue shortfall in the Road Fund.

13. No annual salary increments for elected officials and non-elected personnel of the executive branch shall be provided or granted in fiscal year 1984-85. The annual salary increments in fiscal year 1985-86 shall not exceed the lesser sum of five percent (5%) or the increase in consumer price index as established by the U.S. Department of Commerce for the period between February 1, 1984, and February 1, 1985.

Saving as a result of this salary increment provision shall be transferred to the Budget Reserve Trust Fund as otherwise enacted by the 1984 General Assembly. Program services and benefits shall not be reduced by any officer or employe of the branch unless the reduction is in accordance with the budget reduction plan.

The Senate Committee Amendment to the Senate Committee Substitute to **HB 474** is as follows:

Amend printed copy of Senate Committee Substitute to **HB 474** as follows:

On page 156, by deleting lines 9 through 22, and inserting in lieu thereof the following:

"13. a. Notwithstanding any other provision of this Act, there is here by appropriated for fiscal year 1984-85 from the funds pursuant to KRS 48.700, to each budget unit, the amount sufficient to provide an annual salary increment of not more than five precent (5%) for elected officials and non-elected personnel of state government subject to the provisions of KRS 17.755, 17.765, 18A.355, 63.055, 64.480, 64.485, 64.527, 132.590, and Section D 29(c) of this Act.

b. Notwithstanding any other provisions of this Act, there is hereby appropriated for fiscal year 1984-85 from the funds pursuant to KRS 48.710, to each budget unit, the amount sufficient to provide an annual salary increment of not more than five percent (5%) for elected officials and non-elected personnel of state government subject to the provisions of KRS 18A.355.

c. Funds appropriated under the provisions of paragraphs 13.a and 13.b, above, are in addition to funds otherwise appropriated in this Act and other general appropriation bills for fiscal year 1984-85 for salaries for the respective elected officials and non-elected personnel of state government.

d. Monies are hereby appropriated to the extent required from agency and federal funds consistent with this section for their prorated share of the annual salary increment."

Representative Clarke moved that the House refuse to concur in the Senate Committee Substitute and Senate Amendment to the Senate Committee Substitute to **HB 474**. Agreed.

HB 475, with Senate Committee Substitute attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Committee Substitute to **HB 475** is as follows:

HB 475, AN ACT making appropriations for the operations, maintenance, support and functioning of the legislative branch of the government of the Commonwealth of Kentucky and its various officers, boards, commissions, subdivisions, and other state supported activities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART I
GENERAL FUND

There is appropriated to the Legislative Research Commission out of the General Expenditure Fund for the fiscal year beginning July 1, 1984 and ending June 30, 1985; and for the fiscal year beginning July 1, 1985 and ending June 30, 1986 to be used for the purposes of the legislative branch of government of the Commonwealth of Kentucky including, but not limited to, the legislative sessions, interim committees, monthly expense allowance, Legislative Research Commission, legislative interns, electronic data processing, and facilities improvement:

	1984-85	1985-86
1. General Assembly	$ 3,663,000	$ 6,246,000
2. Legislative Research Commission	$ 8,963,200	$10,155,200
3. Board of Ethics	$ 15,000	$ 18,000
Total - legislative branch	$12,641,200	$16,419,200

Any unexpended balance remaining at the close of the 1984-85 fiscal year shall not lapse, but shall continue into the 1985-86 fiscal year. The specific allocation of these funds shall be made by the director of the Legislative Research Commission at the direction of the Legislative Research Commission.

PART II
TRUST AND AGENCY FUNDS

There is hereby appropriated to the Legislative Research Commission for the fiscal year beginning July 1, 1984 and ending June 30, 1985, and for fiscal year July 1, 1985 and ending June 30, 1986, all receipts of the Legislative Research Commission not otherwise disposed by law, and any unexpended balance remaining in the Legislative Research Commission's existing trust and agency accounts at the close of the fiscal years ending June 30, 1984, June 30, 1985 and June 30, 1986.

In the event the Legislative Research Commission receives receipts in excess of the amounts appropriated herein, the director of the Legislative Research Commission at the direction of the Legislative Research Commission may authorize the credit and expenditure of such trust and revolving or agency funds receipts for statutory purposes. The director of the Legislative Research Commission shall notify on a timely basis the Legislative Research Commission of the most current estimates of anticipated receipts for the affected fiscal year and an accompanying statement which explains such variations from the anticipated amount.

	1984-85	1985-86
Legislative Research Commission	$100,000	$100,000

PART III
FEDERAL FUNDS

There is appropriated to the Legislative Research Commission for the fiscal year beginning July 1, 1984 and ending June 30, 1985, and for the fiscal year beginning July 1, 1985 and ending June 30, 1986, federal subvention, grants, contracts and other federal funds received, income from investment and other miscellaneous federal receipts received by the Legislative Research Commission except as otherwise specifically provided, for the use and benefit of the Legislative Research Commission for the purposes for which its fund is authorized, and any unexpended balance remaining in the Legislative Research Commission's existing federal accounts at the close of fiscal years ending June 30, 1985 and June 30, 1986. All funds received shall be deposited in the state treasury and credited to the proper federal fund account as provided by law.

In the event the Legislative Research Commission receives monies in excess of the amounts appropriated herein, the director of the Legislative Research Commission at the direction of the Legislative Research Commission may authorize the credit and expenditure of such federal funds for statutory purposes. The director of the Legislative Research Commission shall notify on a timely basis the legislative research commission of the most current estimates of anticipated receipts for the affected fiscal year with an accompanying statement which explains such variations from the anticipated amount.

	1984-85	1985-86
Legislative Research Commission	$100	$100

PART IV
BUDGET REDUCTION PLAN

In accord with KRS 48.130, if the projected or actual general fund revenues are certified to be at least two and one-half percent (2 1/2%) but not more than five percent (5%) less than the revenue estimates, and if there are insufficient monies in the general fund surplus account or in the Budget Reserve Trust Fund, the general fund allotment shall be reduced as follows:

1. General Assembly	1984-85	1985-86

a. Legislative Research Commission, legislative operations and administration	$ 319,800	$ 400,100
Total - legislative branch	$ 319,800	$ 400,100

PART VI
GENERAL PROVISIONS

1. The director of the Legislative Research Commission with the approval of the Legislative Research Commission may expend any of the funds appropriated for legislative operation and administration in any lawful manner and for any legal purpose which the commission shall authorize or direct. No executive agency of state government shall have the power to restrict or limit the expenditure of funds appropriated to the legislative branch of government.
2. In enacting this appropriations act, it is the deliberate intention of the general assembly to enact each section, and each subsection thereof as a separate and specific appropriation and law, and if any section, any subsection, or any provisions thereof shall be invalid or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions contained herein.
3. The Legislative Research Commission shall not incur any obligation for any program against the general fund appropriation contained herein unless such program may be reasonably determined to have been contemplated by the proposed legislative budget, as modified and enacted, and supported by appropriate work papers and other records pertaining thereto.
4. The Legislative Research Commission shall cause the director of the Legislative Research Commission to prepare a final budget document reflecting the 1984-86 biennial budget of the legislative branch. A copy shall be provided to the Legislative Research Commission and an informational copy shall be furnished to the finance and administration cabinet within thirty (30) days of the adjournment of the 1984 session of the General Assembly.
5. No annual salary increments for elected and non-elected personnel in the legislative branch shall be provided or granted in fiscal year 1984-85. The annual salary increments in fiscal year 1985-86 shall not exceed the lesser sum of five percent (5%) or the increase in consumer price index as established by the U.S. Department of Commerce for the period between February 1, 1984 and February 1, 1985.

Saving as a result of this salary increment provision shall be transferred to the Budget Reserve Trust Fund as otherwise enacted by the 1984 General Assembly. Program services and benefits shall not be reduced by any officer or employe of the branch unless the reduction is in accordance with the budget reduction plan.

Representative Clarke moved that the House refuse to concur in the Senate Committee Substitute to **HB 475**. Agreed.

HB 367, with Senate Committee Substitute and Senate Title Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Committee Substitute to **HB 367** is as follows:

HB 367, AN ACT relating to the funding of education, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 141.010 is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Commissioner" means the commissioner of revenue;

(2) "Department" means the department of revenue;

(3) For tax years beginning on or after January 1, 1982, except as otherwise provided in this section, "Internal Revenue Code" means the Internal Revenue Code in effect on December 31, 1981, including the provisions of the Economic Recovery Tax Act of 1981 effective on the dates specified in that law, but excluding the provisions of Section 168(f)(8) of the Internal Revenue Code, exclusive of any amendments made subsequent to that date;

(4) "Dependent" means those persons defined as dependents in the Internal Revenue Code;

(5) "Fiduciary" means "fiduciary" as defined in Section 7701(a)(6) of the Internal Revenue Code;

(6) "Fiscal year" means "fiscal year" as defined in Section 7701(a)(24) of the Internal Revenue Code;

(7) "Individual" means a natural person;

(8) For taxable years beginning on or after January 1, 1974, "federal income tax" means the amount

of federal income tax actually paid or accrued for the taxable year on taxable income as defined in Section 63 of the Internal Revenue Code, and taxed under the provisions of this chapter, minus any federal tax credits actually utilized by the taxpayer;

(9) "Gross income" in the case of taxpayers other than corporations means "gross income" as defined in Section 61 of the Internal Revenue Code and adjusted as follows:

(a) Exclude income that is exempt from state taxation by the Kentucky Constitution and the Constitution and statutory laws of the United States;

(b) Exclude income from supplemental annuities provided by the railroad retirement act of 1937 as amended and which are subject to federal income tax by Public Law 89-699;

(c) Include interest income derived from obligations of sister states and political subdivisions thereof;

(d) Exclude employe pension contributions picked up as provided for in KRS 61.560, 16.545, 78.610, 161.540, 21.360, 6.505, 67A.320, 67A.510, and 65.155 upon a ruling by the Internal Revenue Service or the federal courts that these contributions shall not be included as gross income until such time as the contributions are distributed or made available to the employe;

(10) "Adjusted gross income" in the case of taxpayers other than corporations means gross income as defined in subsection (9) of this section minus the deductions allowed individuals by Section 62 of the Internal Revenue Code and adjusted as follows, except that deductions shall be limited to amount allocable to income subject to taxation under the provisions of this chapter, and except that nothing in this chapter shall be construed to permit the same item to be deducted more than once:

(a) Include all overpayments of federal income tax refunded or credited to the taxpayer during the taxable year;

(b) Deduct federal income tax;

(11) "Net income" in the case of taxpayers other than corporations means adjusted gross income as defined in subsection (10) of this section minus the standard deduction allowed by KRS 141.081, or, at the option of the taxpayer, minus all the deductions allowed individuals by Chapter 1 of the Internal Revenue Code and by Section 214 of the Internal Revenue Code as it existed on December 31, 1975 except those listed below, except that deductions shall be limited to amounts allocable to income subject to taxation under the provisions of this chapter and that nothing in this chapter shall be construed to permit the same item to be deducted more than once:

(a) Any deduction allowed by the Internal Revenue Code for state taxes measured by gross or net income, except that such taxes paid to foreign countries may be deducted;

(b) Any deduction allowed by the Internal Revenue Code for amounts allowable under KRS 140.090(h) in calculating the value of the distributive shares of the estate of a decedent, unless there is filed with the income return a statement that such deduction has not been claimed under KRS 140.090(h);

(c) The deduction for personal exemptions allowed under Section 151 of the Internal Revenue Code and any other deductions in lieu thereof;

(12) "Gross income," in the case of corporations, means "gross income" as defined in Section 61 of the Internal Revenue Code and adjusted as follows:

(a) Exclude income that is exempt from state taxation by the Kentucky Constitution and the Constitution and statutory laws of the United States;

(b) Exclude all dividend income received after December 31, 1969;

(c) Include interest income derived from obligations of sister states and political subdivisions thereof;

(d) Exclude fifty percent (50%) of gross income derived from any disposal of coal covered by Section 631(c) of the Internal Revenue Code if the corporation does not claim any deduction for percentage depletion, or for expenditures attributable to the making and administering of the contract under which such disposition occurs or to the preservation of the economic interests retained under such contract;

(e) Include in the gross income of lessors income tax payments made by lessees to lessors under the provisions of Section 110 of the Internal Revenue Code, and exclude such payments from the gross income of lessees;

(f) Include the amount calculated under KRS 141.205;

(g) Ignore the provisions of Section 281 of the Internal Revenue Code in computing gross income;

(13) "Net income," in the case of corporations, means "gross income" as defined in subsection (12) of this section minus all the deductions from gross income allowed corporations by Chapter 1 of the Internal Revenue Code, except the following:

(a) Any deduction for a state tax which is computed, in whole or in part, by reference to gross or net income and which is paid or accrued to any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or to any foreign country or political subdivision thereof;

(b) *Any deduction allowed for amounts determined under Section 168 of the Internal Revenue Code. In lieu of such deduction, the taxpayer may calculate a deduction by either of the following alternatives:*

1. a. By dividing the total of the deductions allowed under Section 168 of the Internal Revenue Code by a factor of:

(i) One and four-tenths (1.4) for tax year beginning on or after July 1, 1984 to June 30, 1985;

(ii) One and four-tenths (1.4) for tax year beginning on or after July 1, 1985 to June 30, 1986;

(iii) One and two-tenths (1.2) for tax year beginning on or after July 1, 1986 to June 30, 1987.

b. For taxable years beginning July 1, 1987 and thereafter, the provisions of Section 168 of the Internal Revenue Code shall be fully adopted.

c. The taxpayer's basis in such property shall at all times be the same as the basis in such property for federal income tax purposes.

d. Effective for tax years beginning on or after July 1, 1984, the total of the deductions allowed for any tax year, commencing after June 30, 1987, under Section 168 of the Internal Revenue Code shall be the total allowed for Kentucky tax purposes.

e. Effective for the tax year beginning on or after July 1, 1987 and, for the five (5) successive tax years thereafter, corporations which computed depreciation deductions under the provisions of paragraph (b) 1., of this subsection shall be allowed to deduct from gross income one-sixth (1/6) of the total difference between the amount of depreciation calculated under Section 168 of the Internal Revenue Code for tax years commencing between June 30, 1984 and June 30, 1987, and the amount of depreciation determined under the provisions of paragraph (b) 1., of this subsection.

2. By following the provisions of Section 167 of the Internal Revenue Code. For the first taxable year beginning on or after July 1, 1984, the taxpayer's basis in any individual property, including any such property placed in service between December 31, 1980 and July 1, 1984, shall be the same as the basis in such property for federal income tax purposes [~~1. The total of the deductions allowed under Section 168 of the Internal Revenue Code shall be determined by dividing the total by a factor of one and four-tenths (1.4). The taxpayer's basis in any individual property shall be the same as the basis in such property for federal income tax purposes.~~

~~2. Effective for tax years beginning on and after July 1, 1984, the total of the deductions allowed for any tax year under Section 168 of the Internal Revenue Code shall be the total allowed for Kentucky tax purposes.~~

~~3. Effective for the tax year beginning on or after July 1, 1984 and for the five (5) successive tax years thereafter, corporations which computed depreciation deductions under the provisions of paragraph (b) 1. of this subsection shall be allowed to deduct from gross income one-sixth (1/6) of the total difference between the amount of depreciation calculated under Section 168 of the Internal Revenue Code and the amount of depreciation determined under the provisions of paragraph (b) 1. of this subsection.~~

~~4. The provisions of KRS Chapter 45 notwithstanding, the department of revenue shall compute and transmit to the Governor and the legislative research commission, on or before December 1, 1983, an estimate of corporation income tax revenues which would accrue to the state's general fund for each of the fiscal years 1984-85 and 1985-86 under the following premises:~~

~~a. That the provisions of paragraph (b) 2. and (b) 3. of this subsection are in effect for those fiscal years;~~

~~b. That the provisions of paragraph (b) 2. of this subsection are repealed effective for tax year beginning on or after July 1, 1984;~~

~~c. That the provisions of paragraph (b) 3. of this subsection are repealed effective for tax years beginning on or after July 1, 1984; and~~

~~d. That the provisions of paragraphs (b) 2. and (b) 3. of this subsection are repealed effective for tax years beginning on or after July 1, 1984~~].

(c) The deductions contained in Sections 243, 244, 245, and 247 of the Internal Revenue Code;

(d) The provisions of Section 281 of the Internal Revenue Code shall be ignored in computing net income;

(e) Any deduction directly or indirectly allocable to income which is either exempt from taxation or otherwise not taxed under the provisions of this chapter, and nothing in this chapter shall be construed to permit the same item to be deducted more than once;

(14) (a) "Taxable net income," in the case of corporations having property or payroll only in this state, means "net income" as defined in subsection (13) of this section;

(b) "Taxable net income," in the case of corporations having property or payroll both within and without this state means "net income" as defined in subsection (13) of this section and as allocated and apportioned under KRS 141.120; and

(c) "Property" means either real property or tangible personal property which is either owned or leased. "Payroll" means compensation paid to one or more individuals, as described in KRS 141.120(8)(b). Property and payroll are deemed to be entirely within this state if all other states are prohibited by Public Law 86-272, as it existed on December 31, 1975, from enforcing income tax jurisdiction;

(15) "Person" means "person" as defined in Section 7701(a)(1) of the Internal Revenue Code;

(16) "Taxable year" means the calendar year or fiscal year ending during such calendar year, upon

the basis of which net income is computed and in the case of a return made for a fractional part of a year under the provisions of this chapter or under regulations prescribed by the commissioner, "taxable year" means the period for which such return is made;

(17) "Resident" means an individual domiciled within this state or an individual who is not domiciled in this state, but maintains a place of abode in this state and spends in the aggregate more than 183 days of the taxable year in this state;

(18) "Nonresident" means any individual not a resident of this state;

(19) "Employer" means "employer" as defined in Section 3401(d) of the Internal Revenue Code;

(20) "Employe" means "employe" as defined in Section 3401(c) of the Internal Revenue Code;

(21) "Number of withholding exemptions claimed" means the number of withholding exemptions claimed in a withholding exemption certificate in effect under KRS 141.325, except that if no such certificate is in effect, the number of withholding exemptions claimed shall be considered to be zero;

(22) "Wages" means "wages" as defined in Section 3401(a) of the Internal Revenue Code and includes other income subject to withholding as provided in Section 3401(f) and Section 3402(k), (o), (p), and (q) of the Internal Revenue Code;

(23) "Payroll period" means "payroll period" as defined in Section 3401(b) of the Internal Revenue Code;

(24) "Corporations" means "corporations" as defined in Section 7701(a)(3) of the Internal Revenue Code;

(25) "Electing small business corporations" means "electing small business corporations" as defined in Section 1371(b) of the Internal Revenue Code. Stockholders of a corporation qualifying after December 31, 1979 as "electing small business corporations" under Chapter 141 may elect to treat such qualification as an initial qualification under Internal Revenue Code Sections 1371-1378.

Section 2. Whereas, the provisions of this Act will affect both individual and corporate taxpayers, an emergency is declared to exist and this Act shall become effective on July 1, 1984.

The Senate Title Amendment to **HB 367** is as follows:

Amend printed copy of Senate Committee Substitute to **HB 367** as follows:

By amending the title to read as follows:

AN ACT relating to revenue and taxation and declaring an emergency.

Representative Clarke moved that the House refuse to concur in the Senate Committee Substitute to **HB 367**. Agreed.

Representative Clarke moved that the House concur in the Senate Title Amendment to **HB 367**. Agreed.

HB 334, with Senate Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendments to **HB 334** are as follows:

Amend printed copy of **HB 334** as follows:

On page 31 and 32, by deleting Section 34 in its entirety;

On page 11, line 4, after the "*(2)*" and before the word "*Fees*" by inserting the words "*License and application*";

On page 14, line 10, by inserting after the word "*other*" and before the word "*statute*" the word "*applicable*"; and

On page 16, line 11, by deleting the word "*which*"; and

On page 16, line 12, by deleting the words "*has expired*"; and

On page 16, line 12, by deleting the word "*and*" and inserting in lieu thereof the phrase "*for a period of nine (9) months after it has been initially filed.*"; and

On page 16, line 13, by inserting after the word "*regulation*" and before the word "*shall*", the words "*that is identical to or substantially the same as the previously filed emergency administrative regulation*";

On page 16, line 13, by inserting a period after the word "*promulgated*"; and

On page 16, lines 13 and 14, by deleting the phrase "*on the same topic.*".

On page 9, line 20, after the word "*to*" and before the word "*this*" by adding the words, "*Sections 22, 23, 24, and 25 of*";

On page 34, after line 3 add the following:

"Section 37. Whereas, the recent case of *L.R.C. v. Brown* declared the present administrative regulations procedure unconstitutional, an emergency is declared to exist, and this Act shall become effective immediately upon passage and approval by the governor.";

Page 13, line 22 after "*regulation*" by inserting "*which has had made against it a non-binding determination under subsection (2)(a) of Section 3 of this Act.*;

Page 13, line 9 by deleting "*Expand*" and inserting in lieu there of "*Illegally expand*";

And on page 13, line 11, by deleting "*Expand*" and inserting in lieu thereof "*Illegally Expand.*"

Representative Brinkley moved that the House refuse to concur in Senate Amendment No. 1 to **HB 334**. Agreed.

Representative Brinkley moved that the House refuse to concur in Senate Amendment No. 2 to **HB 334**. Agreed.

Representative Brinkley moved that the House concur in the Senate Amendment No. 3 to **HB 334**. Agreed.

Representative Brinkley moved that the House concur in the Senate Amendment No. 4 to **HB 334**. Agreed.

Representative Brinkley moved that the House concur in the Senate Amendment No. 5 to **HB 334**. Agreed.

Representative Brinkley moved that the House to refuse concur in the Senate Amendment No. 7 to **HB 334**. Agreed.

Representative Brinkley moved that the House refuse to concur in the Senate Amendment No. 8 to **HB 334**. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 221** and **SB 306** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 2:47 p.m.)

Orders of the Day (continued)

HB 769, with Senate Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendments to **HB 769** are as follows:

Amend printed copy of GA Copy of **HB 769** on page 3, by adding after line 12, the following language:

Section 2. KRS 168.040 is amended to read as follows:

The authority shall consist of nine (9) members, as follows:

The superintendent of public instruction, ex officio, who shall initially serve as temporary chairman and shall call and preside over the organizational meeting or meetings until such time as the members of the authority shall elect a chairman from among their number; a member of the staff or personnel of the department elected by the board upon recommendation of the superintendent of public instruction as being qualified to serve as liaison and coordinator between the authority and the department on matters of curriculum, and his term shall be the same as that of the superintendent of public instruction by whom he is recommended, but terminable by the board in the event he is transferred to other duties in the department, and automatically terminated in the event of his severance from the department for any reason; a representative of the University of Kentucky and a representative of the state universities [~~who are members of the council,~~] to be elected by the council *on higher education*; five (5) additional members appointed by the governor who need possess no special or prescribed qualifications except that they shall be citizens of Kentucky.; and

To amend the title to read as follows:

"AN ACT relating to state government."

Representative Noe moved that the House concur in Senate Amendment No. 1 to **HB 769.** Agreed.

Representative Noe moved that the House concur in the Senate Title Amendment to **HB 769.** Agreed.

Representative Noe moved that **HB 769,** as amended by the Senate, be passed.

On the roll call the vote was yeas 86-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Cline, Craddock, Crupper, Curd, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Gedling, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, White, Williams, Worthington. Nays 1-Turner.

HB 769, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 769,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 771, with Senate Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendments to **HB 771** are as follows:

Amend printed copy of GA copy of **HB 771** on page 3, line 23, by adding the following:
"Section 7. KRS 158.135 is amended to read as follows:
As used in this section, unless the context otherwise requires:

(1) *"State agency children" means those children of school age committed to or in custody of a cabinet for human resources operated or contracted institution or facility, or cabinet for human resources operated or contracted day treatment center, designated by the secretary of the cabinet for human resources for the treatment of mental illness, emotional disturbance, mental retardation, or behavior disorders* [~~"Out-of-district children," means those children of school age located in a state-operated institution or state-operated day treatment center~~].

(2) "Current costs and expenses," means all expenditures, other than for capital outlay and debt service, which, in the final result, are an actual charge on the tax revenue of the school district for the furnishing of school services to *state agency* [~~out-of-district~~] children. Among other things, "current costs and expenses" does not include those expenditures for which the school district receives reimbursement from any source, other than from the state under the provisions of this section. However, in determining such costs and expenses, consideration shall be given to the fact that classroom units are more expensive for exceptional

children.

(3) Any county or independent school district which provides elementary or secondary school services to *state agency* [~~out-of-district~~] children shall be reimbursed by the department of education, out of funds not required by law to be expended for other purposes or in any other manner, in an amount equal to all current costs and expenses of the district for furnishing such services in excess of any per capita distribution received from the common school fund on behalf of the children. The school services furnished to *state agency* [~~out-of-district~~] children shall be substantially equal to those furnished to other school children of the district.

(4) The school district shall make to the superintendent of public instruction such reports as he requires concerning school services for *state agency* [~~out-of-district~~] children, and shall file with the *cabinet for human resources* [~~state agency~~] operating the institution or day treatment center *or contracting for such services* in which the children are located a copy of the annual report made to the superintendent of public instruction.

(5) The school district, at the end of each school year, shall make application to the superintendent of public instruction for the reimbursement due on behalf of school services furnished during the year just ended. After approving the application, the superintendent of public instruction shall notify the secretary of the department of finance who shall cause a warrant, in the appropriate amount, to be drawn in favor of the school district.

(6) Notwithstanding the provisions of any other statute, school districts furnishing services to *state agency* [~~out-of-district~~] children may operate a year-round program for such children and may be compensated on a year-round basis provided that priority in allotting funds shall be given to one hundred eighty-five (185) day school programs.";

And to amend the title to read as follows:

"AN ACT relating to state government."

Representative Noe moved that the House concur in Senate Amendment No. 1 to **HB 771**. Agreed.

Representative Noe moved that the House concur in the Senate Title Amendment to **HB 771**. Agreed.

Representative Noe moved that **HB 771**, as amended by the Senate, be passed.

On the roll call the vote was yeas 79-Arnold, Barrows, Bendl, Bennett, Blandford, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Ford, Foster, Freibert, Gedling, Hancock, Handy, Harper, Head, Hines, Holbrook, Johnson, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Worthington. Nay 8-Allen, Farrow, Holloway, R. Jones, B. Smith, Todd, Turner, Yates.

HB 771, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 771**, as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 525, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment to **HB 525** is as follows:

Amend printed copy of **HB 525** as follows:

On page 3, after line 4, by inserting the following:

"Section 2. KRS 17.250 is amended to read as follows:

(1) There is created and established within the department of housing, buildings and construction a volunteer fire department aid fund consisting of insurance premium surcharge proceeds as provided in subsection (2) of KRS 136.392. All moneys remaining in this fund on July 1, 1982, and deposited thereafter, including earnings from their investment, shall be deemed a trust and agency account, and shall not lapse, and shall be continuously appropriated for the purposes specified herein and in KRS 61.316.

(2) Except as provided in subsection (3) of this section and KRS 61.316, the state fire marshal shall allot on an annual basis an equal share of the funds accruing to and appropriated for volunteer fire department aid to volunteer fire departments in cities of all classes, fire protection districts organized pursuant to KRS Chapter 75, county districts established under authority of KRS 67.083, and all other organized volunteer fire departments recognized by the department of housing, buildings and construction as fire departments operated and maintained on a nonprofit basis in the interest of the health, safety, prosperity and security of the inhabitants of the Commonwealth. He shall prescribe regulations and standards for determining the amounts to be granted. Such standards shall be based on the number of both paid fire fighters and volunteer firemen within a volunteer fire department, the amount of equipment, housing facilities available and such other matters or standards as will best effect the purposes of the volunteer fire department aid law. No allotment shall exceed the total value of the funds, equipment, lands and buildings made available to the local fire units from any source whatever for the year in which the allotment is made. A portion of the funds provided for above may be used to purchase group or blanket health insurance and workers' compensation insurance, and the remaining funds shall be distributed as set forth in this section.

(3) For the biennium beginning July 1, 1982 and ending June 30, 1984, two hundred thousand dollars ($200,000) of the insurance premium surcharge proceeds accruing to the volunteer fire department aid fund shall be allocated to the fire fighters training center fund, which is hereby created and established, for the purposes of constructing new or upgrading existing training centers for fire fighters. Prior to funding any project pursuant to this subsection, a proposed project shall be approved by the commission on fire protection personnel standards and education as provided in subsection (4) of this section and shall comply with state laws applicable to capital construction projects.

(4) Applications for funding of fire fighters training center funds shall be submitted to the commission on fire protection personnel standards and education for their recommendation, approval, disapproval or modification. The commission shall review applications periodically, and shall, subject to funds available, recommend which applications shall be funded and at what levels, together with any terms and conditions the commission deems necessary.

(5) Any department or entity eligible for and receiving funding pursuant to this section shall have a minimum of *fifty percent (50%)* [~~seventy-five percent (75%)~~] of its personnel certified as recognized by the commission on fire protection personnel standards and education.

(6) Upon the written request of any department, the commission on fire protection personnel standards and education shall make available a certified training program in a county of which such department is located.

(7) The amount of reimbursement for any given year for costs incurred by the department for administering these funds shall be determined by the commission and shall not exceed five percent (5%) of the total amount of moneys accruing to the volunteer fire department aid fund during any fiscal year."

Representative Donnermeyer moved that the House concur in the Senate Amendment to **HB 525**.

On the roll call the vote was yeas 64-Allen, Arnold, Bennett, Blandford, Brinkley, Bronger, Brown, Bruce, Caldwell, L. Clark, P. Clark, Cline, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Endicott, Farrow, Ford, Fryman, Gedling, Gray, Handy, Head, Hines, Johnson, T. Jones, Lefevers, LeMaster, Lile, Little, Lundergan, Mann, McBee, McElroy, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, Robinson, Seum, Stone, Stumbo, Thomas, Thomason, White, Williams, Worthington, Yates. Nays 18-Burch, Clarke, Cowan, Foster, Freibert, Guenthner, Hancock, Harper, Holbrook, Holloway, R. Jones, Layman, List, Long, B. Smith, Todd, Turner, Van Horn.

The motion that the House concur in the Senate Amendment to **HB 525** was adopted.

Representative Donnermeyer moved that **HB 525**, as amended by the Senate, be passed.

On the roll call the vote was yeas 90-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, R. Jones, Kidd, Layman, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Maggard, Mann, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 1-T. Jones.

HB 525, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 525**, as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 895, with Senate Amendment attached thereto taken from Orders of the Day. Representative LeMaster moved that it will be placed upon its passage. Agreed.

The Senate Amendment to **HB 895** is as follows:

Amend printed copy of **HB 895** as follows:

On page 3, line 2, by inserting after the word "*veteran*" the following: "*as a result of military related injuries*".

Representative Noland moved that the House concur in the Senate Amendment to **HB 895**. Agreed.

Representative Noland moved that **HB 895**, as amended by the Senate, be passed.

On the roll call the vote was yeas 94-Allen, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 895, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 895**, as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 224, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment to **HB 224** is as follows:

On page 3, line 2 by deleting "REPEALED AND REENACTED" and inserting "REPEALED, REENACTED AND AMENDED TO READ AS FOLLOWS:" in lieu thereof;

On page 3, line 3 by placing an opening bracket before "Unless" and by striking through all of line 3;

On page 3, line 4 by placing a closing bracket after "383.715," and by striking through "383.505 to 383.715,";

On page 3, line 25 after "Occupancy" by inserting the following: "*of a dwelling unit located on land devoted to the production of livestock, livestock products, poultry, poultry products or the growing of tobacco or other crops including timber.*";

On page 3, line 25 by placing an opening bracket before "under" and by striking through the remainder of the line;

On page 3, line 26 by striking through line 26; and

On page 4, line 1 by placing a closing bracket after the period "." and by striking through line 1.

Representative Williams moved that the House concur in the Senate Amendment No. 1 to **HB 224**. Agreed.

Representative Williams moved that **HB 224**, as amended by the Senate, be passed.

On the roll call the vote was yeas 61-Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Heleringer, Hines, Holbrook, Holloway, R. Jones, Kenton, Kidd, LeMaster, Lile, List, Long, Lundergan, Mann, McBee, McNutt, Meyer, Nett, O'Brien, Perkins, Petty, Priddy, Rapier, Reinhardt, B. Richardson, Riner, Seum, F. Smith, Stone, Stumbo, Thomas, Van Horn, Williams, Worthington, Yates. Nays 25-Allen, Barrows, Brown, Cline, Crupper, Farrow, Ford, Fryman, Head, T. Jones, Layman, Lefevers, Little, Moberly, Moore, Noe, Noland, Overstreet, Pearman, Rattliff, Richards, Robinson, Thomason, Turner, White.

HB 224, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 224,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 431, with Senate Committee Substitute attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Committee Substitute to **HB 431** is as follows:

HB 431, AN ACT relating to law enforcement foundation program, professional firefighters foundation program and volunteer fire department aid funds.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 136.392 is amended to read as follows:

(1) Every domestic, foreign or alien insurer, other than life and health insurers, which is either subject to or exempted from Kentucky premium taxes as levied pursuant to the provisions of either KRS 136.340, 136.350, 136.370 or 136.390, shall charge and collect a surcharge of one dollar and fifty cents ($1.50) upon each one hundred dollars ($100) of premium, assessments, or other charges, except for those municipal premium taxes, made by it for insurance coverage provided to its policyholders, on risk located in this state, whether such charges are designated as premiums, assessments or otherwise. Said premium surcharge shall be collected by the insurer from its policyholders at the same time and in the same manner that its premium or other charge for the insurance coverage is collected. However, no insurer or its agent shall be entitled to any portion of any premium surcharge as a fee or commission for its collection. On or before the twentieth (20th) day of each month, each insurer shall report and remit to the department of revenue, on such forms as it may require, all premium surcharge monies collected by it during its preceding monthly accounting period less any such monies returned to policyholders as applicable to the unearned portion of the premium on policies terminated by either the insured or the insurer. The funds derived from such premium surcharge, except as provided in subsection (2) of this section, shall be deposited in the state treasury, and shall constitute a fund allocated for the uses and purposes of the professional fire fighters foundation program fund (KRS 95A.220) and the law enforcement foundation program fund (KRS 15.430).

(2) Insurance premium surcharge funds collected from the policyholders of any domestic mutual company, cooperative or assessment fire insurance company shall be deposited in the state treasury, and shall be paid monthly by the state treasurer into the volunteer fire department aid fund as provided in KRS 17.250.

(3) Within five (5) days after the end of each month, all insurance premium surcharge proceeds deposited in the state treasury as set forth in subsection (1) of this section, shall be paid by the state treasurer into the professional fire fighters foundation program fund trust and agency account and the law enforcement foundation program fund trust and agency account. The amount paid into each account shall be proportionate to each fund's respective share of the total deposits, pursuant to KRS 42.190. *Monies deposited to the law enforcement foundation program fund trust and agency account shall not be disbursed, expended, encumbered or transferred by any state official for uses and purposes other than those prescribed by KRS 15.410 to 15.500. Money deposited to the professional fire fighters foundation program fund trust and agency account shall not be disbursed, expended, encumbered or transferred by any state official for uses and purposes other than those prescribed by KRS 95A.200 to 95A.300.*

Section 2. KRS 42.190 is amended to read as follows:

(1) On June 1, 1982, and then on or before the first day of each December, March, June and September thereafter, the department shall request in writing of the administrator of the professional fire fighters foundation program fund, which is established by KRS 95A.220, and of the administrator of the law enforcement foundation program fund, which is established by KRS 15.430, cost projections of their respective funds for the next quarter. Based on these projections, the department shall determine the

proportionate share of total insurance premium surcharge proceeds, prescribed in KRS 136.392, to accrue to each fund.

(2) On or before the first day of each quarter, the department shall certify to the state treasurer a distribution schedule describing the proportionate share of total insurance premium surcharge proceeds accruing to each fund during such quarter, and the state treasurer shall pay into each fund's trust and agency account its proportionate share of all deposited tax monies as set forth and in the manner as prescribed in subsections (1) and (3) of KRS 136.392.

(3) Monies deposited in the professional fire fighters foundation program fund's trust and agency account, and in the law enforcement foundation program fund's trust and agency account, shall be invested by the state in accordance with state investment practices, and all earnings from such investments shall accrue to, and be paid into the respective account from which such investments are made. All monies remaining on deposit at the close of the state's fiscal year in the professional fire fighters foundation program fund's *trust and agency* account [~~and the law enforcement foundation program fund's account~~] and all earnings from investments made from monies in *this account* [~~these accounts~~], shall not lapse, and shall be used *only* for the purposes as specified *in KRS 95A.200 to 95A.300* [~~by law pertaining to the fund in which said deposits and earnings remain~~]. *All monies remaining on deposit at the close of the state's fiscal year in the law enforcement foundation program fund's trust and agency account, and all earnings from investments made from monies in this account, shall not lapse, and shall be used only for the purposes as specified in KRS 15.410 to 15.500.*

(4) The department shall provide monthly financial reports to the administrator of the professional fire fighters foundation program fund and the administrator of the law enforcement foundation program fund respecting the amount of funds received and on deposit in each fund and the amount of earnings accruing to each fund from their investment.

Section 3. KRS 15.330 is amended to read as follows:

(1) The council is vested with the following functions and powers:

(a) To prescribe standards for the approval and continuation of approval of schools at which law enforcement training courses required under KRS 15.310 to 15.510 and KRS 15.990 to 15.992 shall be conducted, including but not limited to minimum standards for facilities, faculty, curriculum, and hours of attendance related thereto;

(b) To prescribe minimum qualifications for instructors at such schools, except that institutions of higher education shall be exempt from council requirements;

(c) To prescribe qualifications for attendance and conditions for expulsion from such schools;

(d) To approve, to issue and to revoke for cause certificates to schools and instructors as having met requirements under KRS 15.310 to 15.510 and KRS 15.990 to 15.992;

(e) To approve law enforcement officers and other persons as having met requirements under KRS 15.310 to 15.510 and KRS 15.990 to 15.992;

(f) To inspect and evaluate schools at any time and to require of schools, instructors and persons approved or to be approved under the provisions of KRS 15.310 to 15.510 and KRS 15.990 to 15.992, any information or documents;

(g) To recommend reasonable rules and regulations to the secretary to accomplish the purposes of KRS 15.310 to 15.510 and KRS 15.990 to 15.992;

(h) *To monitor the law enforcement foundation program as prescribed in KRS 15.410 to 15.510; and*

(i) To adopt bylaws for the conduct of its business not otherwise provided for.

(2) The provisions of KRS 15.310 to 15.510 and KRS 15.990 to 15.992 do not apply to the department of state police.

Section 4. KRS 15.420 is amended to read as follows:

As used in KRS 15.410 to 15.510, unless the context otherwise requires:

(1) "Local unit of government" means any city or county, or any combination of cities and counties, of the Commonwealth.

(2) "Police officer" means a full-time member of a lawfully organized police department of county or city government who is responsible for the prevention and detection of crime and the enforcement of the general criminal laws of the state, but does not include Kentucky state police, any elected officer, sheriff, deputy sheriff, constable, deputy constable, district detective, deputy district detective, special local peace officer, auxiliary police officer or any other peace officer not specifically authorized in KRS 15.410 to 15.510.

(3) "Council" means the Kentucky law enforcement council.

Section 5. KRS 15.430 is amended to read as follows:

(1) There is hereby established the law enforcement foundation program fund consisting of appropriations from the general fund of the Commonwealth of Kentucky, and insurance premium surcharge proceeds which accrue to this fund pursuant to KRS 42.190 and 136.392. Any other funds, gifts, or grants made available to the state for distribution to local units of government in accordance with the provisions of KRS 15.410 to 15.510 also shall be made a part of this fund.

(2) All monies remaining in this fund on July 1, 1982, and deposited thereafter, including earnings

from their investment, shall be deemed a trust and agency account, and shall not lapse, and shall be continuously appropriated for the purposes specified in KRS 15.410 to 15.500, *and shall not be disbursed, expended, encumbered or transferred for any use or purpose other than as prescribed by KRS 15.410 to 15.500.*

Section 6. KRS 15.450 is amended to read as follows:

(1) The secretary or his designated representative shall administer the law enforcement foundation program fund pursuant to the provisions of KRS 15.410 to 15.510 and may issue such reasonable rules and regulations as, in his judgment, are necessary to carry out his responsibilities under KRS 15.410 to 15.510.

(2) The secretary or his designated representative shall determine which local units of government are eligible to share in the law enforcement foundation program fund and may withhold or terminate payments to any local unit that does not comply with the requirements of KRS 15.410 to 15.510 or the rules and regulations issued by the department of justice under KRS 15.410 to 15.510.

(3) The justice cabinet shall, from monies appropriated and accruing to the fund as provided under KRS 15.430, receive reimbursement for the salaries and other costs of administering the fund, including, but not limited to, council operations and expenses. The amount to be reimbursed for any given year shall be determined by the council and shall not exceed five percent (5%) of the total amount of funds for that year.

(4) The justice cabinet shall furnish periodically to the council such reports as may be deemed reasonably necessary.

Section 7. KRS 15.470 is amended to read as follows:

Law Enforcement Foundation Program funds made available to local units shall be received, held and expended in accordance with the provisions of KRS 15.410 to 15.510, including the rules and regulations issued by the department of justice, and the following specific restrictions:

(1) Funds provided shall be used only as a cash salary supplement to police officers *and for administrative costs as provided in KRS 15.450*;

(2) Funds provided shall be used only to compensate police officers who have complied with KRS 15.440(3), (4), and (5).

(3) Each police officer shall be entitled to receive the state supplement which his qualifications brought to the local unit;

(4) Funds provided shall not be used to supplant existing salaries or as a substitute for normal salary increases periodically due to police officers.

(1) If funds appropriated by the general assembly and otherwise made departments recognized by the department of housing, buildings and construction as fire available to the law enforcement foundation program fund are insufficient to provide the amount of money required by KRS 15.460, the department of justice shall establish the rate of assistance to be paid to eligible local units of governments.

(2) Funds unexpended by the department of justice at the close of the fiscal year for which the funds were appropriated and otherwise made available to this fund pursuant to KRS 15.430, 42.190 and 136.392, shall not lapse as provided by KRS 45.229, but shall be carried forward into the following fiscal year, *and shall be used solely for the purposes specified in KRS 15.410 to 15.500.*

Section 9. KRS 95A.220 is amended to read as follows:

(1) There is established the professional fire fighters foundation program fund consisting of appropriations from the general fund of the Commonwealth of Kentucky, and insurance premium surcharge proceeds and earnings on the investments of those proceeds which accrue to this fund pursuant to KRS 42.190 and 136.392. The fund may also receive any other funds, gifts or grants made available to the state for distribution to local governments in accordance with the provisions of KRS 95A.200 to 95A.300.

(2) All monies remaining in this fund on July 1, 1982, and deposited thereafter, including earnings from their investment, shall be deemed a trust and agency account, and shall not lapse, and shall be continuously appropriated for the purposes specified in KRS 95A.200 to 95A.300, *and shall not be disbursed, expended, encumbered or transferred for any use or purpose other than as prescribed in KRS 95A.200 to 95A.300.*

Section 10. KRS 95A.290 is amended to read as follows:

(1) If funds appropriated by the general assembly and otherwise made available to the fund are insufficient to provide the amount of money required by KRS 95A.250, the commission shall make a uniform percentage reduction in the allotment of funds available.

(2) The provisions of subsection (1) of this section shall not apply to amounts due the department of housing, buildings and construction pursuant to KRS 95A.240.

(3) Funds appropriated by the general assembly and unexpended by the commission at the close of the fiscal year for which the funds were appropriated and otherwise made available to this fund pursuant to KRS 42.190, 95A.220 and 136.392 shall not lapse *as provided by KRS 45.229*, but shall be carried forward into the following fiscal year, *and shall be used solely for the purposes specified in KRS 95A.200 to 95A.300.*

Section 11. KRS 17.250 is amended to read as follows:

(1) There is created and established within the department of housing, buildings and construction a

volunteer fire department aid fund consisting of insurance premium surcharge proceeds as provided in subsection (2) of KRS 136.392. All moneys remaining in this fund on July 1, 1982, and deposited thereafter, including earnings from their investment, shall be deemed a trust and agency account, and shall not lapse, and shall be continuously appropriated for the purposes specified herein and in KRS 61.316.

(2) Except as provided in subsection (3) of this section and KRS 61.316, the state fire marshal shall allot on an annual basis an equal share of the funds accruing to and appropriated for volunteer fire department aid to volunteer fire departments in cities of all classes, fire protection districts organized pursuant to KRS Chapter 75, county districts established under authority of KRS 67.083, and all other organized volunteer fire departments recognized by the department of housing, buildings and construction as fire departments operated and maintained on a nonprofit basis in the interest of the health, safety, prosperity and security of the inhabitants of the Commonwealth. He shall prescribe regulations and standards for determining the amounts to be granted. Such standards shall be based on the number of both paid fire fighters and volunteer firemen within a volunteer fire department, the amount of equipment, housing facilities available and such other matters or standards as will best effect the purposes of the volunteer fire department aid law. No allotment shall exceed the total value of the funds, equipment, lands and buildings made available to the local fire units from any source whatever for the year in which the allotment is made. A portion of the funds provided for above may be used to purchase group or blanket health insurance and workers' compensation insurance, and the remaining funds shall be distributed as set forth in this section.

(3) For the biennium beginning July 1, 1982 and ending June 30, 1984, two hundred thousand dollars ($200,000) of the insurance premium surcharge proceeds accruing to the volunteer fire department aid fund shall be allocated to the fire fighters training center fund, which is hereby created and established, for the purposes of constructing new or upgrading existing training centers for fire fighters. Prior to funding any project pursuant to this subsection, a proposed project shall be approved by the commission on fire protection personnel standards and education as provided in subsection (4) of this section and shall comply with state laws applicable to capital construction projects.

(4) Applications for funding of fire fighters training center funds shall be submitted to the commission on fire protection personnel standards and education for their recommendation, approval, disapproval or modification. The commission shall review applications periodically, and shall, subject to funds available, recommend which applications shall be funded and at what levels, together with any terms and conditions the commission deems necessary.

(5) Any department or entity eligible for and receiving funding pursuant to this section shall have a minimum of *fifty percent (50%)* [~~seventy-five percent (75%)~~] of its personnel certified as recognized by the commission on fire protection personnel standards and education.

(6) Upon the written request of any department, the commission on fire protection personnel standards and education shall make available a certified training program in a county of which such department is located.

(7) The amount of reimbursement for any given year for costs incurred by the department for administering these funds shall be determined by the commission and shall not exceed five percent (5%) of the total amount of moneys accruing to the volunteer fire department aid fund during any fiscal year.

Representative Priddy moved that the House concur in the Senate Committee Substitute to **HB 431.** Agreed.

Representative Priddy moved that **HB 431,** by way of Senate Committee Substitute, be passed.

On the roll call the vote was yeas 91-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 431, by way of Senate Committee Substitute, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 431,** by way of Senate Committee Substitute, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 523, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment to **HB 523** is as follows:

Amend printed copy of **HB 523** page 4, line 26 by inserting the following after the word "*agency*": "*, or for employes of school districts, the highest percentage increase received by members on any one rank and step of the salary schedule of the school district*".

Representative Curd moved that the House concur in the Senate Amendment to **HB 523.** Agreed.

Representative Curd moved that **HB 523,** as amended by the Senate, be passed.

On the roll call the vote was yeas 89-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Donnermeyer, Dunn, Ellington, Endicott, Ford, Freibert, Fryman, Gedling, Gray, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 2-T. Jones, Hancock.

HB 523, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 523,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 537, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate amendment to **HB 537** is as follows:

Amend printed copy of **HB 537** on page 1, line 8, by deleting the words "*, gas, water or sewer*".

Representative Gray moved that the House concur in the Senate Amendment to **HB 537**.

On the roll call the vote was yeas 66-Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Crupper, Curd, Cyrus, Deskins, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Holbrook, Johson, Kenton, LeMaster, List, Little, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Noland, O'Brien, Overstreet, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, Riner, Robinson, F. Smith, Stone, Stumbo, Thomason, Van Horn, Williams, Worthington. Nays 10-Burch, Donnermeyer, Freibert, Fryman, Lefevers, Petty, Seum, B. Smith, Thomas, Turner.

The motion that the House concur in the Senate Amendment to **HB 537** was adopted.

Representative Gray moved that **HB 537,** as amended by the Senate, be passed.

On the roll call the vote was yeas 91-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Ford, Freibert, Fryman, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 1-Farrow.

HB 537, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 537,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 308, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Foster moved the adoption of Floor Amendment No. 1 to **SB 308**. Agreed.

Representative Gray moved the adoption of the Floor Amendment No. 3 to **SB 308.**

Representative Farrow moved that a fiscal note be attached to **SB 308.** Rejected.

Representative Gray moved the adoption of the Floor Amendment No. 3 to **SB 308.**

On the roll call the vote was yeas 37-Allen, Bennett, Blevins, Brinkley, Bronger, Craddock, Crupper, Curd, Cyrus, Donnermeyer, Ellington, Endicott, Gedling, Gray, Lile, Little, Lundergan, McBee, McNutt, Meyer, Moberly, Morris, Noland, O'Brien, Overstreet, Pearman, Priddy, Rapier, Richards, B. Richardson, Robinson, Seum, B. Smith, Stone, Todd, Van Horn, Williams. Nays 31-Barrows, Blandford, Burch, Caldwell, L. Clark, Clarke, Cline, Cowan, Farrow, Foster, Freibert, Guenthner, Hancock, Harper, Head, Hines, Holbrook, Holloway, Kenton, Lefevers, List, Moore, Noe, Patrick, Petty, Reinhardt, Riner, Stumbo, Thomason, Turner, White.

Floor Amendment No. 3 to **SB 308** was adopted.

Representative Foster moved that **SB 308,** as amended, be passed.

On the roll call the vote was yeas 59-Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, P. Clark, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Endicott, Ford, Foster, Fryman, Gedling, Gray, Handy, Johnson, Kidd, LeMaster, Lile, Little, Long, Lundergan, Maggard, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Noland, O'Brien, Pearman, Perkins, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, Robinson, Seum, B. Smith, Stone, Stumbo, Thomas, Todd, Van Horn, White, Williams, Worthington. Nays 30-Allen, Barrows, Burch, Caldwell, L. Clark, Clarke, Cline, Ellington, Farrow, Freibert, Guenthner, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Layman, Lefevers, List, Mann, Moore, Noe, Overstreet, Patrick, Petty, Riner, F. Smith, Thomason, Turner.

SB 308, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 308,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Senate Message

Announcing passage of **HB 153** with Senate Amendment, **HB 298** with Senate Amendment, **HB 590** with Senate Amendment, **HB 575, HB 612,** and **SCR 98.**

Orders of the Day (continued)

Representative Robinson moved that Floor Amendment No. 2 to **SB 353** be withdrawn. Agreed.

SB 352, with Committee Amendments and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved the adoption of the Committee Amendment No. 1 to **SB 352.** Agreed.

Representative LeMaster moved the adoption of the Committee Amendment No. 2 to **SB 352.** Agreed.

Representative LeMaster moved that **SB 352,** as amended, be passed.

On the roll call the vote was yeas 85-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Williams, Worthington, Yates. Nays 3-Allen, J. Clarke, Turner.

SB 352, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 352,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 58 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cyrus moved that **SB 58** be passed.

On the roll call the vote was yeas 91-Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Van Horn, White, Worthington, Yates. Nays 0.

SB 58 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 58** was passed be reconsidered and said motion be placed on the table. Agreed.

Representative LeMaster moved that the House refuse to recede from Floor Amendment No. 2 and Title Amendment No. 2 to **SB 92.** Agreed.

The Speaker announced a Conference Committee would be appointed later.

Representative O'Brien moved that the House refuse to recede from the House Amendments to **SB 56.** Agreed.

Representative LeMaster moved that the House recede from the House Amendments to **SB 152.** Agreed.

Representative LeMaster moved that **SB 152** be placed upon its passage. Agreed.

On the roll call the vote was yeas 84-Arnold, Bendl, Bennett, Blandford, Blevins, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Guenthner, Hancock, Handy, Harper, Head, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moore, Morris, Nett, Noland, O'Brien, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington. Nays 3-J. Clarke, Moberly, Yates.

SB 152 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 152** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 148, with House Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Lundergan moved that the House recede from its Amendment to **SB 148**. Agreed.

Representative Lundergan moved that **SB 148** be passed.

On the roll call the vote was yeas 77-Arnold, Bendl, Blandford, Blevins, Bronger, Brown, Bruce, Burch, Burnette, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Noe, O'Brien, Overstreet, Perkins, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 9-Allen, Caldwell, Harper, Moore, Noland, Patrick, Pearman, Reinhardt, Todd.

SB 148 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 148** was passed be reconsidered and said motion be placed on the table. Agreed.

The following Conference Committee appointments were announced:

SB 92: Representatives Overstreet, Cowan, Deskins.

SB 56: Representatives O'Brien, Barrows, Todd.

SB 369 with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cowan moved that **SB 369** be passed.

Representative Worthington moved the adoption of the Floor Title Amendment to **SB 369**.

Representative Gray moved the adoption of the Previous Question on **SB 369**.

On the roll call the vote was yeas 33-Allen, Bendl, Bennett, Brown, Bruce, Burch, P. Clark, Cyrus, Deskins, Ellington, Foster, Freibert, Fryman, Gray, Holloway, R. Jones, Lefevers, List, Little, Long, McElroy, McNutt, Meyer, Noland, F. J. Smith, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, C. White, Yates. Nays 56-Arnold, Barrows, Blandford, Blevins, Brinkley, Bronger, Burnette, Caldwell, L. Clark, Cline, Cowan, Craddock, Crupper, Curd, Dawahare, Donnermeyer, Dunn, Endicott, Farrow, Ford, Gedling, Hancock, Handy, Harper, Head, Heleringer, Johnson, Kenton, Kidd, Layman, LeMaster, Lile, Lundergan, Maggard, Mann, McBee, Moberly, Moore, Nett, Noe, O'Brien, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Robinson, Seum, B. Smith, Thomason, Williams, Worthington.

The motion that the Previous Question be adopted on **SB 369** was rejected.

Representative Worthington moved the adoption of the Floor Title Amendment to **SB 369**.

On the roll call the vote was yeas 50-Arnold, Blandford, Blevins, Brinkley, Bronger, Burch, Burnette, Clarke, Cline, Crupper, Curd, Dawahare, Donnermeyer, Endicott, Farrow, Fryman, Gedling, Hancock, Harper, Head, Heleringer, Johnson, T. Jones, Kenton, Layman, Lundergan, Maggard, Mann, McBee, Meyer, Moberly, Noe, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stumbo, Thomas, Thomason, Worthington, Yates. Nays 44-Allen, Barrows, Bendl, Bennett, Brown, Caldwell, L. Clark, P. Clark, Cowan, Craddock, Cyrus, Deskins, Dunn, Ellington, Ford, Foster, Freibert, Gray, Guenthner, Handy, Hines, Holbrook, Holloway, R. Jones, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, McElroy, McNutt, Morris, O'Brien, Overstreet, Richards, B. Richardson, Stone, Todd, Turner, Van Horn, White, Williams.

The Floor Title Amendment to **SB 369** was adopted.

Representative Worthington moved the adoption of the Floor Amendment No. 1 to **SB 369.**

On the roll call the vote was yeas 51-Arnold, Bendl, Blandford, Blevins, Brinkley, Bronger, Burch, Burnette, Clarke, Cline, Craddock, Crupper, Curd, Dawahare, Donnermeyer, Endicott, Farrow, Gedling, Hancock, Head, Heleringer, Johnson, T. Jones, Kenton, Layman, Lundergan, Maggard, Mann, McBee, Moberly, Moore, Nett, Noe, Patrick, Pearman, Perkins, Petty, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stumbo, Thomason, Worthington. Nays 44-Allen, Barrows, Bennett, Brown, Bruce, Caldwell, L. Clark, P. Clark, Cowan, Cyrus, Deskins, Dunn, Ellington, Ford, Foster, Freibert, Fryman, Gray, Guenthner, Handy, Hines, Holbrook, Holloway, R. Jones, Lefevers, LeMaster, Lile, List, Little, Long, McElroy, McNutt, Meyer, Morris, Noland, O'Brien, Overstreet, Stone, Todd, Turner, Van Horn, White, Williams, Yates.

Floor Amendment No. 1 to **SB 369** was adopted.

Representative Cyrus moved that **SB 369,** as amended, be passed.

On the roll call the vote was yeas 70-Arnold, Barrows, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Burnette, Caldwell, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Ellington, Endicott, Farrow, Foster, Gedling, Hancock, Handy, Harper, Head, Heleringer, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Noe, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomason, Van Horn, Worthington, Yates. Nays 26-Allen, Bruce, L. Clark, P. Clark, Dunn, Ford, Freibert, Fryman, Gray, Guenthner, Hines, Holloway, Layman, LeMaster, Lile, List, Morris, Noland, O'Brien, Overstreet, Robinson, Thomas, Todd, Turner, C. White, Williams.

SB 369, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 369** was passed be reconsidered and said motion be placed on the table. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 145, SB 161, HB 4, HB 87, HB 266, HB 431, HB 493, HB 557, HB 575, HB 612, HB 640, HB 655, HB 682, HB 736, HB 738, HB 992, HJR 7, HJR 10,** and **HJR 63** had been examined and found correctly enrolled. Said Bills and Resolutions read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 5:00 p.m.)

HB 4, HB 87, HB 266, HB 431, HB 493, HB 557, HB 575, HB 612, HB 640, HB 655, HB 682, HB 736, HB 738, HB 992, HJR 7, HJR 10, and **HJR 63** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Orders of the Day (continued)

SB 390, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Rapier moved that **SB 390** be passed.

On the roll call the vote was yeas 80-Allen, Arnold, Bendl, Bennett, Blevins, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Craddock, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Ellington, Farrow, Ford, Foster, Freibert, Gedling, Gray, Hancock, Harper, Head, Heleringer, Hines, Holbrook, T. Jones, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Yates. Nays 0.

SB 390 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 390** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 380, with Committee Amendment and with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Nett moved the adoption of the Floor Amendment No. 1 to **SB 380.** Agreed.

Representative Long moved the adoption of the Committee Amendment No. 1 to **SB 380.** Agreed.

Representative Reinhardt moved the adoption of the Floor Amendment No. 4 to **SB 380.** Agreed.

Representative Nett moved that **SB 380,** as amended, be passed.

On the roll call the vote was yeas 66-Allen, Barrows, Bendl, Blevins, Brinkley, Bronger, Bruce, Burch, Caldwell, L. Clark, P. Clark, Cowan, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Foster, Freibert, Gray, Hancock, Handy, Harper, Head, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Kidd, LeMaster, Lile, List, Long, Maggard, Mann, McBee, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Patrick, Perkins, Petty, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, B. Smith, F. Smith, Stone, Stumbo, Thomason, Turner, Worthington, Yates. Nays 21-Arnold, Bennett, Brown, Cline, Craddock, Farrow, Ford, Gedling, Heleringer, Holloway, Lefevers, Little, Noland, O'Brien, Pearman, Priddy, Robinson, Seum, Thomas, Van Horn, White.

SB 380, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 380,** as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Senate Message

HB 367 returned with the following message: The Senate has refused to recede from its Committee Substitute to **HB 367** and respectfully returns same to this Honorable Body asking for a Conference Committee to be appointed. The Senate has appointed the following members to serve on the Conference Committee: Senators Berger, Moloney, McCuiston, Bailey, and Schmidt.

HB 406 returned with the following message: The Senate has refused to recede from its Committee Substitute to **HB 406** and respectfully returns same to this Honorable Body asking for a Conference Committee to be appointed. The Senate has appointed the following members to serve on the Conference Committee: Senators Berger, Moloney, McCuiston, Bailey, and Schmidt.

HB 474 returned with the following message: The Senate has refused to recede from its Amendment No. 3 and Committee Substitute to **HB 474** and respectfully returns same to this Honorable Body asking for a Conference Committee to be appointed. The Senate has appointed the following members to serve on the Conference Committee: Senators Berger, Moloney, McCuiston, Bailey and Schmidt.

HB 475 returned with the following message: The Senate has refused to recede from its Committee Substitute to **HB 475** and respectfully returns same to this Honorable Body asking for a Conference Committee to be appointed. The Senate has appointed the following members to serve on the Conference Committee: Senators Berger, Moloney, McCuiston, Bailey, and Schmidt.

Orders of the Day

The Committee on Committees met and announced the following appointments to Conference Committees:

HB 367, HB 406, HB 474, HB 475: Representatives Clarke, R. Jones, Robinson, Donnermeyer, and Nett.

SB 86 taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative McBee moved that **SB 86** be passed.

On the roll call the vote was yeas 32-Blandford, Brinkley, Bronger, Bruce, Caldwell, Craddock, Crupper, Deskins, Donnermeyer, Gedling, Harper, Heleringer, Hines, T. Jones, Kidd, Layman, Lefevers, Lundergan, Mann, McBee, Meyer, Moberly, Morris, Noland, Pearman, Petty, Priddy, Reinhardt, Richards, Robinson, White, Yates. Nays 50-Allen, Barrows, Bendl, Bennett, Burch, Burnette, L. Clark, P. Clark, Cline, Cowan, Curd, Cyrus, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gray, Guenthner, Hancock, Handy, Head, Holbrook, Johnson, R. Jones, Kenton, Lile, List, Long, Maggard, McElroy, McNutt, Moore, Nett, Noe, O'Brien, Rapier, P. Richardson, Riner, B. Smith, Stone, Stumbo, Thomason, Todd, Turner, Van Horn, Williams.

SB 86 was defeated.

Senate Message

Announcing passage of **HB 271** with Senate Amendments, **HB 635** with Senate Amendments, **HB 642** with Senate Amendment, **HB 677** with Senate Amendments, **HB 76, HB 702, HB 817, HB 843, HB 931**, and **HJR 25.**

Orders of the Day (continued)

SB 335, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Rapier moved that **SB 335** be passed.

On the roll call the vote was yeas 90-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

SB 335 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 335** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 15, with Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Cowan moved that **SB 15** be passed.

Representative Burch moved the adoption of the Floor Amendment No. 1 to **SB 15.**

Representative Harper inquired whether Floor Amendment No. 1 was germane to **SB 15.**

The Chair ruled that Floor Amendment No. 1 was not germane to **SB 15.**

On the roll call the vote was yeas 92-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

SB 15 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 15** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 9, with Committee Amendment and Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Little moved the adoption of the Committee Amendment No. 1 to **SB 9**. Agreed.

Representative Little moved that **SB 9**, as amended, be passed.

On the roll call the vote was yeas 66-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Caldwell, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ford, Foster, Gray, Hancock, Handy, Heleringer, Hines, Holbrook, Johnson, R. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, McBee, McElroy, Nett, O'Brien, Overstreet, Pearman, Petty, Priddy, Richards, B. Richardson, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomason, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 25-Allen, Barrows, Bruce, Burnette, Clarke, Ellington, Endicott, Farrow, Freibert, Gedling, Guenthner, Harper, Head, Layman, McNutt, Meyer, Moberly, Moore, Morris, Noe, Noland, Perkins, Rattliff, Robinson, Thomas.

SB 9, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 9**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

SB 238, with Floor Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved that **SB 238** be passed.

On the roll call the vote was yeas 59-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Cowan, Craddock, Crupper, Curd, Dawahare, Donnermeyer, Dunn, Endicott, Gedling, Gray, Handy, Head, Hines, Johnson, R. Jones, Kenton, Kidd, Lefevers, LeMaster, List, Little, Long, Lundergan, Maggard, Mann, McBee, Meyer, Moberly, Morris, Net, Noe, Perkins, Petty, Priddy, Richards, B. Richardson, P. Richardson, Riner, F. Smith, Stumbo, Thomason, Van Horn, White, Williams, Worthington. Nays 29-Allen, Clarke, Cline, Ellington, Farrow, Ford, Foster, Freibert, Fryman, Hancock, Harper, Heleringer, Holbrook, Lile, McElroy, McNutt, Moore, Noland, O'Brien, Overstreet, Patrick, Pearman, Rapier, Rattliff, Robinson, B. Smith, Stone, Todd, Turner.

SB 238 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 238** was passed be reconsidered and said motion be placed on the table. Agreed.

SB 163, with Committee Amendments and Floor Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative LeMaster moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative LeMaster moved that **SB 163** be passed.

Representative Morris moved the adoption of the Committee Title Amendment to **SB 163**. Agreed.

Representative Morris moved the adoption of the Committee Amendment No. 1 to **SB 163**. Agreed.

Representative Morris moved the **SB 163**, as amended, be passed.

On the roll call the vote was yeas 76-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, L. Clark, P. Clark, Cowan, Craddock, Curd, Cyrus, Donnermeyer, Dunn, Endicott, Ford, Foster, Freibert, Fryman, Gedling, Gray, Handy, Harper, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, McBee, McElroy, Meyer, Moberly, Moore, Morris, Noe, Noland, O'Brien, Overstreet, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stumbo, Thomas, Thomason, Todd, Van Horn, White, Williams, Worthington, Yates. Nays 14-Allen, Burnette, Cline, Crupper, Ellington, Farrow, Guenthner, Hancock, T. Jones, McNutt, Patrick, Pearman, P. Richardson, Turner.

SB 163, as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 163**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Representative LeMaster moved that **HB 592** be recommitted to the Committee on Education. Agreed.

Representative LeMaster moved that **HB 798** be recommitted to the Committee on Appropriations and Revenue. Agreed.

Conference Committee reports were filed by Representative Clarke on **HB 406, HB 474, HB 475**, and **HB 367** as follows: The Conference Committee has met as provided in the rules of the House and the Senate and hereby reports that agreement cannot be reached. Request is hereby made for the appointment of a Free Conference Committee.

Representative Clarke moved that the Conference Committee report be accepted. Agreed.

The Speaker announced the Free Conference Committees will consist of the same members as previously appointed to the Original Conference Committees on these bills.

Motions, Petitions and Communications

Representative LeMaster moved that the rules be suspended for Introduction of Resolutions. Agreed.

Introduction of Resolutions

HR 157, by Representative O'Brien: A RESOLUTION adjourning the House of Representatives in honor of retiring members Lewis Foster, Henry Clay "Hank" list, Charles O. Petty and David H. Thomason.

HR 158, by Representative Priddy: A RESOLUTION directing the Interim Joint Committee on Cities to study the jurisdiction of law enforcement officers of cities of the sixth class.

HR 159, by Representatives Crupper, Rapier, P. Richardson, B. Smith, Farrow, and B. Richardson: A RESOLUTION supporting the concept of the "Panetta" bill sponsored by United States Senator Robert Dole and United States Congressman Leon E. Panetta that more federal farm surplus should be given to those needing it.

HR 160, by Representatives Brinkley and McBee: A RESOLUTION honoring Mr. Pete Flynn on his

59th birthday.

HR 161, by Representative Hines: A RESOLUTION commending the YWCA on its anniversary.

HR 162, by Representative Nett: A RESOLUTION commending the Transportation Cabinet for the Kentucky Methane Transportation Fuels Demonstration and Test Project and extending the benefits thereof.

Representative Brinkley moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Brinkley moved the adoption of the following **HR 160:**

HR 160, A RESOLUTION honoring Mr. Pete Flynn on his 59th birthday.

WHEREAS, Pete Flynn has distinguished himself throughout the years as a host and restaurateur of the highest order; and

WHEREAS, Mr. Flynn has extended the warmest hospitality to Kentucky lawmakers from across the Commonwealth during numerous sessions of the Kentucky General Assembly; and

WHEREAS, Mr. Flynn's business establishment is a home-away-from-home for Kentucky legislators, their families and staff;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That Mr. Pete Flynn is hereby recognized as a favorite host of the Kentucky General Assembly and tendered wishes for a joyous birthday.

Section 2. That the Clerk of the House is directed to transmit a copy of this Resolution to Pete Flynn.

HR 160 was adopted by voice vote.

Representative Noe moved the adoption of Legislative Citation No. 152. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Harlan County Rescue Squad and Volunteer Fire Department for the twenty-five years of indispensable and outstanding services to your community in Fire prevention and safety, ultimate protection and the public welfare. In the midst of great perils, you have made the supreme sacrifice of life, always going beyond the call of duty, investing long hours and tireless efforts. Improved services have resulted because of modern equipment provided and your extensive training demonstrate your dedication and humanitarian spirit.

This prestigious body salutes you for your unselfish and sacrificial service to all mankind. (Sponsored by Representative Noe)

Representative Thomas moved that **HB 818** be reassigned to the Committee on Agriculture and Small Business. Agreed.

Representative Lile moved the adoption of Legislative Citation No. 163. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby commends you, David Ernst, recipient of the Louisville Police Department's "1983 Officer of the Year" award. The citizens of Louisville are the beneficiaries of your dedication, competency, perserverance and devotion to duty. The protection and defense of the citizens, their property and inalienable rights to life, liberty and pursuit of happiness is exemplary of the laudable service you have provided for the community. Along with your partner, Harry Osoffsky, you patrol Louisville's Fourth District, which has the highest crime rate in all of Louisville. Your service to humanity encompassed intrepidity, integrity and dedication as you were named "Office of the Month" in December, 1983, when you rescued five children from a burning house. The citizens of Louisville owe you an everlasting debt of gratitude for your unswerving devotion.

This prestigious body highly commends you for your fortitude and dedication. (Sponsored by Representative Lile)

Representative Crupper moved the adoption of Legislative Citation No. 154. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby commends the Kentucky Extension Homemakers Association for your tremendous civic contribution in training of Kentuckians in many areas which have improved their textile skills. We applaud you with profound appreciation for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause.

This prestigious body salutes and applauds you for your dedication, contribution, and most noteworthy service to your community and the Commonwealth of Kentucky. (Sponsored by Representative Crupper)

Representative Nett moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Nett moved the adoption of **HR 162**.

HR 162, A RESOLUTION commending the Transportation Cabinet for the Kentucky Methane Transportation Fuels Demonstration and Test Project and extending the benefits thereof.

WHEREAS, the House of Representatives in the 1982 Regular Session did adopt House Resolution No. 106 in support of the federal Methane Research, Demonstration and Utilization Act of 1980, and did encourage the Kentucky Transportation Cabinet to seek ways to test and demonstrate the methane alternative to gasoline; and

WHEREAS, in accordance therewith, the Transportation Cabinet did arrange for a demonstration and test project for that purpose, which project has been conducted at the University of Louisville in a collaboration of public and private agencies; and

WHEREAS, the report of that project contains findings of significant importance with respect to energy efficiencies, air quality, safety and economics, especially in fleet operations;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Transportation Cabinet be and hereby is commended for having procured the Kentucky Methane Transportation Fuels Demonstration and Test Project and obtaining therefrom objective and practical information that can be put to use in reducing air pollution while at the same time reduce transportation fuel costs.

Section 2. That the Transportation Cabinet is encouraged to pursue applications of the methane alternative to state fleet operations, looking for environmental and economic gains in fuel operations for state vehicles, including school bus fleets.

Section 3. That the Transportation Cabinet encourage tests and demonstrations of methane fuel as an alternate to diesel fuel as well as gasoline.

Section 4. That the Transportation Cabinet disseminate information about these applications, tests and demonstrations to private sector fleet operators as a means of seeking wider use of Kentucky resources and reducing vulnerability to oil supply disruptions and their potential impact on natural security and the economy.

HR 162 was adopted by voice vote.

Representative O'Brien moved that the rules be suspended to act upon a Resolution. Agreed.

Representative O'Brien moved the adoption of **HR 157.**

HR 157, A RESOLUTION adjourning the House of Representatives in honor of retiring members Lewis Foster, Henry Clay "Hank" List, Charles O. Petty and David H. Thomason.

In loving tribute we bid a fond farewell to our esteemed colleagues, Representatives Foster, List, Petty and Thomason.

WHEREAS, the gentleman from the 16th district, Lewis Foster, has proudly served the citizens of Logan and Todd Counties during the 1974, 1976, 1978, 1979, 1980, 1982 and 1984 legislative sessions; and

WHEREAS, an alumnus of Western Kentucky University, Lewis Foster is a vital participant in the Russellville Lions Club and Masons; and

WHEREAS, the gentleman from the 79th district, H. C. "Hank" List has demonstrated his great concern for the people of this Commonwealth in innumerable ways, including his service on the United Way Cabinet; and

WHEREAS, this honored graduate of the University of Mississippi has served as a member of the House of Representatives for the people of Fayette County in the 1978, 1979, 1980, 1982, and 1984 legislative sessions; and

WHEREAS, the honorable Charles O. Petty, representative of the 64th district, comprised of Kenton and Pendleton Counties, has faithfully served in the House of Representatives during the 1978, 1979, 1980, 1982, and 1984 sessions; and

WHEREAS, Representative Petty is the distinguished past president of the Kentucky and National Bankers' Associations and the Latonia Businessmen's Association; and

WHEREAS, David H. Thomason, the 11th district representative serving Henderson County, has not only served the people of this state by holding legislative office, but has devoted a great deal of his life to such charitable organizations as the United Way Fund, the Cystic Fibrosis Drive, and the March of Dimes; and

WHEREAS, Representative Thomason, a graduate of the University of Kentucky and its law school, has served in the 1980, 1982, and 1984 legislative sessions, and filled the position of Speaker pro-tem in the 1982 session;

NOW, THEREFORE;

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives honors its four members Lewis Foster, Henry Clay "Hank" List, Charles O. Petty, and David H. Thomason upon their retirement from this grateful body.

Section 2. That the House of Representatives commends these four public servants for their years of dedication to the ideals of good government and altruistic service to the citizens of their districts and the Commonwealth of Kentucky.

Section 3. That when the House of Representatives does adjourn this day, March 28, 1984, it does so in honor of Representatives Foster, List, Petty, and Thomason.

Section 4. That this honorable body directs its clerk to give a copy of this resolution to the distinguished men listed above.

HR 157 was adopted by voice vote.

Representative O'Brien moved a call of the roll for co-sponsors of **HR 157**. Agreed.

The following members requested that their names be added as Co-Sponsors of **HR 157**: Arnold, Barrows, Bendl, Blandford, Blevins, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Johnson, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Todd, Van Horn, White, Williams, Worthington, Yates.

Representative LeMaster moved the adoption of Legislative Citation No. 164. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Bourbon County High School Boys' Basketball Team and your fine coach, Russ Day, and assistant coaches, Lyle Eads and Mike Reitz, as Runner-Up in the "Sweet Sixteen" State Tournament at Rupp Arena, Lexington, Kentucky, March 17, 1984. Earning you the privilege of participating in the State Tournament were your victories in the 37th District and the 10th Regional Tournaments. Your excellent final season record of 28-9 reflects hard work, school loyalty, competitive spirit and a positive team effort. Especially noteworthy is the fact that this is the first time in the school's history that the "Colonels" have advanced this far in the Tournaments. Coach Day, your exceptional leadership and high standard of performance requiring the best at all times are most exemplary, productive and rewarding. Your team captured the hearts of the fans with the thrilling finales of each game you played in the "Sweet Sixteen " Tournament.

This prestigious body salutes and applauds you for your demonstration of leadership, sportsmanship and superb athletic abilities as you participated in such an impressive event. You have bestowed great honor and pride on your school, community and the Commonwealth of Kentucky. (Sponsored by Representative LeMaster)

Representative Priddy moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Priddy moved the adoption of the following **HR 158:**

HR 158, A RESOLUTION directing the Interim Joint Committee on Cities to study the jurisdiction of law enforcement officers of cities of the sixth class.

WHEREAS, police officers in cities of the first through the fifth class have the authority to make arrests anywhere in the county in which the city is located; and

WHEREAS, for effective law enforcement it is important that police officers not be limited to the artificial boundaries of the city in making arrests for crimes committed; and

WHEREAS, many cities of the sixth class have as professional and highly trained police officers as cities of the larger classes; and

WHEREAS, police officers in cities of the sixth class, if they are to be effective as law enforcement officers, need to have county-wide jurisdiction;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Interim Joint Committee on Cities be directed to study the need for legislation permitting police officers in cities of the sixth class, having professional police departments, to have the authority to make arrests anywhere in the county in which the city is located.

Section 2. Staff services to be utilized in completing this study are estimated to cost $2,500. Such services shall be provided from the regular commission budget and are subject to the limitations and other research responsibilities of the commission.

HR 158 was adopted.

Representative Kidd moved that **HB 102** be withdrawn. Agreed.

Representative Hines moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Hines moved the adoption of the following **HR 161:**

HR 161, A RESOLUTION commending the YWCA on its anniversary.

WHEREAS, the YWCA, for one hundred and twenty-five years, has been serving women, their children and families in a wide range of activities, from housing, job training, health, fitness and recreation as well as in crisis situations, and has endeavored to enhance the status of women and ensure their full participation in all phases of American life;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the YWCA be commended on its many accomplishments and contributions to society, and for its achievements in improving the lives of women and their children, and that the YWCA be encouraged to continue its humanitarian efforts. That this body joins in the celebration of the one hundred and twenty-fifth birthday of a Grand Matriarch and wishes it many happy returns.

Section 2. That the Louisville YWCA be congratulated on its outstanding service to Kentucky's major urban area on this anniversary.

HR 161 was adopted.

Senate Message

Announcing passage of **HB 107** with Senate Amendments, and **HB 495** with Senate Amendment.

SB 191 returned with the following letter: The Senate has refused to concur in the House Amendment to **SB 191** and respectfully returns it with the request that this Honorable Body recede from the Amendment.

Motions, Petitions, and Communications (continued)

Representative Cline moved that the rules be suspended to allow all properly filed co-sponsor requests to be approved. Agreed.

The following members have filed requests to have their names added as co-sponsors of Bills and Resolutions: Representative Dawahare, **HB 33**; Representative Patrick, **HR 147**, **HR 148**; Representative Thomas, **HB 2**, **HB 51**, **HB 989**, **HJR 74**, **HR 48**.

Representative Reinhardt moved that he be recorded as voting "yea" on **SB 148**. Agreed.

Representative Reinhardt moved that he be recorded as voting "nay" on **SB 308**. Agreed.

Representative White moved that she be recorded as voting "nay" on **SB 9**. Agreed.

Representative F. Smith moved that he be recorded as voting "yea" on **SB 252**. Agreed.

Representative Farrow moved that he be recorded as voting "nay" on **SB 46**. Agreed.

Representative Freibert moved that she be recorded as voting "yea" on **SB 305**. Agreed.

Representative Freibert moved that she be recorded as voting "yea" on **SB 282**. Agreed.

Representative Freibert moved that she be recorded as voting "yea" on **SB 404**. Agreed.

Representative Arnold moved that he be recorded as voting "nay" on **SB 202**. Agreed.

The following Floor Amendments were filed to Bills:

Floor Amendment No. 4 to **SB 105**, by Representative Mann:

Amend printed copy of **SB 105** on page 2, after line 2, by adding the following language:

"Section 2. KRS 436.420 - Advertising lotteries in newspapers and magazines - is repealed."

Floor Amendment No. 1 to **SB 145**, by Representative Burch:

Amend printed copy of **SB 145** on page 1, line 3, by adding *(1)* before the word "*English*";

On page 1, after line 4 by adding the following:

"*(2) A denturist must use the official state language to communicate with the people they make dentures for.*

(3)Denturists means a person who constructs, repairs, relines, reproduces, rebases, adjusts, duplicates, supplies, alters, furnishes or fits in the human oral cavity a full or partial removable denture and who also takes impressions, bite registration, tryings, and insertion of or in any part of the human oral cavity for any of the purposes listed in this paragraph.

(4) Denturists shall be exempted from the provisions of KRS Chapter 313 and the activities under subsection 3 of Section 1 shall not constitute the practice of dentistry as defined by KRS Chapter 313."

Floor Amendment No. 1 to **SB 159**, by Representative Noe:

Amend printed copy of **SB 159**, page 1, line 17 by adding the following:

"SECTION 2. KRS CHAPTER 347 IS ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

As used in this chapter, unless the context requires otherwise:

(1) "Active treatment" means provision of services as specified in an individualized service plan. These services may include, but are not limited to activites, experiences and therapy which are part of a professionally developed and supervised program of health, social, habilitative and developmental services;

(2) "Case management services" means all such services to persons with developmental disabilities as will assist them in gaining access to needed social, medical, legal, educational and other services, and such term includes:

(a) Follow-along services which assure, through a continuing relationship between an agency or provider and a person with a developmental disability and the person's parent or guardian, if legally appropriate, that the changing needs of the person and the family are recognized and appropriately met; and

(b) Coordinated services which provide to persons with developmental disabilities support, access to, and coordination of other services, information on programs and services and monitoring of the person's progress;

(3) "Habilitation" means the process described in the individualized service plan by which a person is assisted to acquire and maintain physical, mental and social skills which will enable him to live most efficiently and effectively in the least restrictive individually appropriate environment;

(4) "Individualized service plan (ISP)" means a written plan of service based on an interdisciplinary approach which is revised as needed but no less than annually. The plan shall be developed by the interdisciplinary team and shall contain a statement of:

(a) The nature of the specific mental, physical, social and developmental needs of the person;

(b) The specific services to be provided under this Act, those services being provided under other state and federal laws and a schedule for the provision of said services;

(c) The least restrictive individually appropriate environment for the provision of services and active treatment;

(5) "Individually appropriate" means responsive to the needs of the person as determined through interdisciplinary assessment and provided pursuant to an individualized service plan;

(6) "Interdisciplinary team (IDT)" means those persons who work most directly with the individual in each of the professions, disciplines and service areas that provide active treatment, services and evaluations for the person, including the person with a developmental disability, his representative and when legally appropriate, his parent or guardian. Prior to relocation to a more individually appropriate placement in accordance with his individualized service plan, the IDT shall include representatives from the current placement and representatives from the proposed placement;

(7) "Least restrictive environment" means the individually appropriate residence and service delivery setting, including the entire array of residential alternatives as defined by this Act, in which the person can function most effectively and independently, gaining to the maximum extent possible, control over his environment, and shall be based solely on his needs as identified in his individualized service plan. This definition shall not be construed to abolish any existing residential alternatives as defined by this Act.

(8) "Monitor" means to conduct a systematic, coordinated, objective qualitative review of services by a body independent of the agencies providing services under this Act. This body shall include persons with developmental disabilities, parents, guardians, and professionals;

(9) "Person with a developmental disability" means a person with a long term disability which:

(a) Is attributable to a developmental or physical impairment or combination of developmental and physical impairments;

(b) Is likely to continue indefinitely;

(c) Results in substantial functional limitations in at least three (3) of the following areas of major life activity: self-care, receptive and expressive language, learning, mobility, self-direction, capacity for

independent living and economic self-sufficiency;

(d) Requires special, generic or interdisciplinary care and active treatment and services of extended duration;

(e) Is manifested before the person attains age twenty-two (22);

(10) "Representative" means a person who, at the request of the person with a developmental disability or, when legally appropriate, the person's parent or guardian, can advise and advocate for that person;

(11) "Residence" or "residential alternative" means the living space occupied by the person with a developmental disability, including single-person homes, natural family homes, institutional facilities and all other types of living arrangements; and

(12) "Services" means such residential, developmental, vocational, support and related services, training and active treatment in the least restrictive, individually appropriate environment to provide for continuing development of independent or interdependent living skills of persons with developmental disabilities. These services include, but are not restricted to, diagnostic services; child development services; respite care; domestic assistance; consumer-directed attendant care; habilitation and rehabilitation; speech, physical and occupational therapy; recreational therapy and activities; training for parents, guardians and care providers as requested by said persons; transportation, equipment; development of language and communication skills; interpreters; family counseling and case management.

SECTION 3. KRS CHAPTER 347 IS ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

(1) The department of public advocacy and secretaries of the cabinet for human resources and the education and humanities cabinet shall jointly develop for implementation a statewide plan, with adequate opportunity for public comment, to serve all persons with developmental disabilities not otherwise entitled to and receiving the same services under another state or federal act, which will include provisions for:

(a) Identification and prompt and adequate interdisciplinary assessment;

(b) Case management services;

(c) Services and residential alternatives as defined by this Act in the least restrictive, individually appropriate environment.

(2) The first plan to be developed on or before June 30, 1985, and annual updates, shall be presented to the legislative research commission which shall refer it to an appropriate legislative interim committee for review and comment.

(3) This Act and the plan developed pursuant to it shall not alter requirements and responsibilities mandated under any state or federal act, relieve any organizational unit or administrative body of its duties under said acts or transfer among state organizations or administrative bodies any responsibilities, powers or duties mandated by said acts.

(4) The plan required under this Act shall include:

(a) The number of institution residents on waiting lists for placement in the community;

(b) The number of persons outside institutions on waiting lists for placement in the institution;

(c) The number of persons for whom no placement is made nor services provided because of a lack of community resources;

(d) The number, type, nature, and cost of services necessary for placement to occur;

(e) The status of compliance with the plan;

(f) The cabinets' specific efforts to increase residential alternatives and services and documentation

of the success of these efforts;

(g) The specific plans for new efforts to enhance the opportunities for persons with developmental disabilities to move into less restrictive environments.

(4) The state health plan shall be developed consistently with the plan required under this Act.

SECTION 4. A NEW SECTION OF KRS CHAPTER 347 IS CREATED TO READ AS FOLLOWS:

The plan required under this Act shall incorporate and be consistent with the following rights and provisions:

(1) Rights enumerated in this Act including the right to accept or reject services, active treatment and residential alternatives, shall be exercised by the person with a developmental disability, the person's parent or next-of-kin if the person is a minor or the person's guardian if the person's specific decision-making rights have been rescinded through guardianship proceedings;

(2) Each person with a developmental disability shall have the opportunity to reside in the least restrictive, individually appropriate residential alternative located as close as possible to his home community;

(3) Each person with a developmental disability, to the extent it is individually appropriate, shall have the right to:

(a) Interact with nondisabled people in a nontreatment, nonservice oriented setting;

(b) Live with or in close proximity to nondisabled persons;

(c) Live in a setting which closely approximates those conditions available to nondisabled persons of the same age;

(4) Nothing in subsection (3) of this section shall be construed to abolish any existing residential alternatives as defined by this Act;

(5) Each person with a developmental disability and his representative, and where legally appropriate, his parent or guardian shall have the right to participate in the development of objectives in his ISP, including, but not limited to:

(a) Intermediate and long-range active treatment and service goals, including specific goals to facilitate the development and retention of daily living skills necessary for living in the least restrictive, individually appropriate residential alternative as defined by this Act, with a projected timetable for their attainment;

(b) The person's schedule of service activities, including the least restrictive, individually appropriate service settings to be utilized for the implementation of each goal and objective identified; and

(c) The specific services to be offered the person to attain these goals;

(6) Any person relocated from an institutional to a noninstitutional setting or from a noninstitutional to an institutional setting for whom it is subsequently determined and reflected in his individualized service plan that the initial setting is the individually appropriate environment, shall have the following rights:

(a) To receive a maximum of thirty (30) days of individually appropriate respite care initiated within twenty-four (24) hours of the decision for the person to relocate to the initial setting;

(b) To be placed as soon as possible but no later than thirty (30) days in the initial residential alternative from which he was transferred or any other individually appropriate residential alternative approved, as legally appropriate, by the person or his parent or guardian;

(c) To not be placed in an intermediate care nursing facility, skilled nursing facility or mental health

facility, unless recommended by the interdisciplinary team, approved by the person or, as legally appropriate, his parent or guardian, and supported by documented medical need; or in any penal institution or facility; and

(d) To be transferred no more than three (3) times within the thirty (30) days allowed for respite care, except in a crisis situation, as defined by the interdisciplinary team;

(7) Each person with a developmental disability shall have a right to receive least restrictive individually appropriate services, including a daily program of activities outside the residence in accordance with his individualized service plan;

(8) In a manner consistent with the rights of privacy of a person with a developmental disability such a person shall have a right to be referred for medical and dental care and shall have the right to reasonable access to review medical, service and treatment files, to be informed of diagnoses, and to receive a copy of his individualized service plan;

(9) A person who requests services under this Act or who is identified as a person with a developmental disability, and, when legally appropriate, his parent or guardian, shall be informed orally and in writing of the contents of this Act, including the rights guaranteed under this Act; and

(10) Rights enumerated in this Act to be incorporated in the plan shall not be construed to replace or limit any other rights, benefits, or privileges, including other statutory and regulatory due process rights and protections.

SECTION 5. A NEW SECTION OF KRS CHAPTER 347 IS CREATED TO READ AS FOLLOWS:

The department of public advocacy and the cabinet for human resources and the education and humanities cabinet shall, after submission of an approved plan to the legislative research commission, promulgate rules and regulations for the:

(1) Enhancement and protection of the rights of persons receiving services and active treatment in both the public and private sectors under this Act, including, but not limited to, the right to:

(a) Provision of services in the least restrictive, individually appropriate environment;

(b) An individualized service plan;

(c) Privacy and humane service;

(d) Confidentiality, access, referral and transfer of records;

(e) Monitored active treatment in the least restrictive, individually appropriate environment;

(f) Notice of rights under this Act; and

(g) A fair, timely and impartial grievance procedure to resolve grievances concerning identification and evaluation, services and active treatment, and the protection of the rights of persons with developmental disabilities under this Act.

(2) Implementation of this Act providing for the orderly development of services and coordination among organizational units, administrative bodies and service providers to assure effective provision of services in both the public and private sectors to persons with developmental disabilities.

Floor Amendment No. 4 to **SB 302**, by Representative Hines:

Amend printed copy of **SB 302** on page 1, after line 10, by adding:

SECTION 2. A NEW SECTION OF KRS CHAPTER 318 IS CREATED TO READ AS FOLLOWS:

(1) Upon occupancy of a new tenant in a residential unit leased or rented in this state, if hot water is

supplied from an accessible individual water heater, the water heater shall be set by the owner or agent at a temperature not higher than 140 degrees Farenheit or 60 degrees Celsius or the minimum setting on any water heater which cannot be set as low as that temperature. Water heating systems may utilize higher reservoir temperature if mixing valves are set or systems are designed to restrict the temperature of water to one hundred forty degrees Fahrenheit.

(2) Nothing in this section shall prohibit an owner of an owner-occupied residential unit or resident of a leased or rented residential unit from readjusting the temperature setting after occupancy. Any readjustment of the temperature setting by the resident relieves the owner or agent of an individual residential unit from liability for damage attributed to the readjustment by the resident.

(3) Nothing in this section requires or permits any inspections other than those otherwise required or permitted by law.

Floor Amendment No. 1 to **SB 305,** by Representatives Hines:

Amend printed copy of **SB 305** on page 4, after line 22, by adding:

SECTION 3. A NEW SECTION OF KRS CHAPTER 318 IS CREATED TO READ AS FOLLOWS:

(1) Upon occupancy of a new tenant in a residential unit leased or rented in this state, if hot water is supplied from an accessible individual water heater, the water heater shall be set by the owner or agent at a temperature not higher than 140 degrees Fahrenheit or 60 degrees Celsius or the minimum setting on any water heater which cannot be set as low as that temperature. Water heating systems may utilize higher reservoir temperature if mixing valves are set or systems are designed to restrict the temperature of water to one hundred forty degrees Fahrenheit.

(2) Nothing in this section shall prohibit an owner of an owner-occupied residential unit or resident or a leased or rented residential unit from readjusting the temperature setting after occupancy. Any readjustment of the temperature setting by the resident relieves the owner or agent of an individual residential unit from liability for damage attributed to the readjustment by the resident.

(3) Nothing in this section requires or permits any inspections other than those otherwise required or permitted by law.

Floor Amendment No. 1 to **HB 859,** by Representative Head:

Amend printed copy of **HB 859** on pages 1 through 14, by deleting everything after the enacting clause and inserting in lieu thereof the following:

Section 1. KRS 6.031 is amended to read as follows:

The Commonwealth of Kentucky is divided into representative districts as follows:

(1) First District: Ballard, Carlisle, Fulton, and Hickman Counties and that part of McCracken County contained in the election precincts of Ragland, Grahamville, Woodville, Lamont and Maxon and in that part of the election precinct of Messac-Milan lying north-northwest of U.S. Highway 62.

(2) Second District: Graves County.

(3) Third District: That part of McCracken County not contained in the First and Fourth Districts.

(4) Fourth District: Livingston County; that part of Crittenden County not contained in the Twelfth District and that part of McCracken County contained in the election precincts of Reidland No. 1, Reidland No. 2, Clark River, Hovekamp, Oaks Station, Hendron No. 2, Florence Station, Harper, New Hope-Melber, Rolling Hills, Lone Oak No. 1 and Lone Oak No. 2, and that part of the election precinct of Messac-Milan lying south-southwest of U.S. Highway 62.

(5) Fifth District: Calloway County and that part of Trigg County contained in the Land Between the Lakes and in the voting precincts of Bethesda, Canton, West Cadiz, North Cadiz 1, North Cadiz 2, South Cadiz 1 and South Cadiz 2.

(6) Sixth District: Lyon and Marshall Counties [~~and that part of Caldwell County contained in election precincts Princeton #1, Princeton #4, Princeton #5 and Harmony~~].

(7) Seventh District: Union County; that part of Henderson County not contained in the Eleventh District; that part of Daviess County contained in the voting precincts of Pleasant Ridge, Utica, Snyder, West Louisville, Curdsville, St. Joseph, Rome, Sorgho, Masonville, Stanley, Northtown, Southtown, Fields, and

Habit but excluding those parts of Northtown, Southtown and Fields precincts that are completely surrounded by one or more election precincts of the city of Owensboro.

(8) Eighth District: That part of Trigg County contained in Fort Campbell Military Reservation and in the voting precincts of Wallonia, Cerulean, Maggie and Caledonia-Roaring Spring; that part of Christian County not contained within the Ninth District.

(9) Ninth District: That part of Christian County contained in Fort Campbell Military Reservation and within the following voting precincts: Beverly, North Pembroke, Elmo, South Pembroke, Oak Grove, Lafayette, Sinking Fork, Consolation, West Crofton, East Crofton, Pilot Rock, Fearsville and Apex; that part of Hopkins County contained within the following voting precincts: East Dawson, Charleston and Ilsley.

(10) Tenth District: That part of Hopkins County not contained in the Ninth and Twelfth Districts.

(11) Eleventh District: Henderson County, except for the voting precincts of South Corydon, Niagara, Hebbardsville-Bluff City and South Robards.

(12) Twelfth District: Webster County; that part of Crittenden County contained in election precincts Rosebud, Shady Grove, Marion #5 and Marion #6; that part of Hopkins County contained in election precincts Ashbyburg, Hanson, East Hanson, Manitou and Nebo; [~~that part of~~] Caldwell County [~~not contained in the Sixth District~~]; and that part of McLean County not contained in the Fifteenth District.

(13) Thirteenth District: That part of Daviess County contained in the following election precincts: Owensboro #1, #2, #5, #8, #12, #13, #16, #21, #22, #23, #25, #26, #27, #28, #29, #30, #31, #33, #34, #35, #36, #37, #38, #39, #40, #41, #42, #43, #44 and #45 and those parts of the election precincts of Northtown, Southtown or Fields that are completely surrounded by one or more of the Owensboro precincts contained within the Thirteenth District.

(14) Fourteenth District: That part of Daviess County not contained in the Seventh District or in the Thirteenth District.

(15) Fifteenth District: Muhlenberg County and that part of McLean County contained in voting precincts: Sacramento, Livermore #3, Livermore #8 and Island.

(16) Sixteenth District: Todd and Logan Counties.

(17) Seventeenth District: Ohio and Butler Counties and that part of Hancock County contained in election precincts Boiling Chappell, Pellville, Chambers and Utility.

(18) Eighteenth District: Breckinridge County; that part of Hancock County not contained in the Seventeenth District; and that part of Meade County contained in election precincts Concordia, Flaherty, Guston, Payneville, Battletown and Wolfe Creek and in that part of Ekron election precinct lying west of a line formed by State Highway 144 and Rock Haven Road, and in that part of Woodland election precinct southeast of a line following Osborne Road northeastward to Hobbs-Reesor Road to State Highway 1238 and northeast on State Highway 1238 to the Woodland election precinct line.

(19) Nineteenth District: Edmonson and Grayson Counties; that part of Hardin County contained in voting precincts Upton, White Mills, Eastview and Meeting Creek.

(20) Twentieth District: That part of Warren County containing voting precincts Courthouse, Potter Gray, Nellums, Whayne Supply, Briarwood-Richland, Laurel and Broadway, Ogden College, Municipal Park, Shive-Kiel, 11th Street School, D and F Market, Greenwood, Carver-Harris, T. C. Cherry, Millers, 17th and Normal, Cabell Fire Station, Crestmoor, Millers #2, Carver Harris II, 11th Street Fire Station, Church Street, Watts Mill #2, Watts Mill and Mt. Victor.

(21) Twenty-first District: That part of Simpson County contained in the voting precincts of West Simpson, North Simpson and Prospect Hill and that part of Warren County not contained in the Twentieth District.

(22) Twenty-second District: Allen and Monroe Counties, and that part of Simpson County not contained in the Twenty-first District.

(23) Twenty-third District: Barren County and that part of Metcalfe County containing voting precincts Randolph-Wisdom No. 3, Knob Lick No. 4, Savoyard No. 5, Summer Shade No. 8 and Willow Shade-Beaumont No. 9.

(24) Twenty-fourth District: Hart County; Marion County; that part of Larue County contained in the election precincts of Buffalo, Buffalo East, Attilla, Otter and Mt. Sherman.

(25) Twenty-fifth District: That part of Hardin County not contained in the Nineteenth, Twenty-sixth and Twenty-seventh Districts.

(26) Twenty-sixth District: That part of Hardin County contained in the voting precincts of Radcliff Northwest, Radcliff Southwest, Radcliff Southeast, Radcliff East, Radcliff North, Radcliff South, Radcliff West, Vine Grove East, Vine Grove West, Longview, Colesburg, that part of Yates precinct north of State Highway 144, and that part of the Fort Knox Military Reservation not included in the Twenty-seventh District; that part of Larue County not contained in the Twenty-fourth District.

(27) Twenty-seventh District: That part of Meade County not contained in the Eighteenth District; that part of Bullitt County contained in election precincts Cupio 13, Brooks 12 and Brooks 12A; that part of Hardin County contained in West Point election precinct and in that part of the Fort Knox Military

Reservation whose southern boundary is Chaffee Avenue extended westward to the Hardin-Meade County line and eastward to Park Road; thence southward to Eleventh Avenue; thence eastward on Eleventh Avenue and a line extending due eastward to the Bullitt County-Hardin County line.

(28) Twenty-eighth District: That part of Jefferson County containing voting precincts C7, C8, C14, C31, C32, C33, C40, C43, C44, C45, C47, C53, C56, C57, C58, C64, C65, C66, C72, C73, C78, C79, C82, C90, C91, C98, C99, C101, C103, C107, C108, C109 of Commissioner's District C.

(29) Twenty-ninth District: That part of Jefferson County containing voting precincts C5, C6, C11, C16, C19, C21, C24, C30, C34, C39, C46, C50, C54, C55, C59, C61, C67, C69, C71, C74, C75, C80, C81, C85, C94, C97, C100, C112 of Commissioner's District C.

(30) Thirtieth District: That part of Jefferson County containing voting precinct 37 of the Third Ward of the city of Louisville, and voting precincts B10, B13, B18, B19, B21, B22, B24, B25, B31, B40, B42, B43, B48, B49, B54, B58, B64, B67, B70, B71, B72, B78, B84, B85, B87, B89 of Commissioner's District B.

(31) Thirty-first District: That part of Jefferson County containing voting precincts 16, 17, 19, 26, 29, 34, 35, 36, 38 and 39 of the Second Ward of the city of Louisville; and voting precincts A22, A35, A39, A63, A80, A81, A85, A86, A89, A91, A98, A99, A100, A102, A105, A114, A117, A118, A119, A123, A125, A127, A128, A135, A138, A139, A146 and A151 of Commissioner's District A.

(32) Thirty-second District: That part of Jefferson County containing voting precincts 4, 5, 6, 7, 8, 9, 10, 23A, 23B, 23, 24, 25, 27, 28, 29, 30 and 33 of the First Ward of the city of Louisville; voting precincts 1, 2, 3, 4, 5, 6, 7A, 7, 8, 10, 13, 15, 18, 20, 27, 32, 40 and 41 of the Second Ward of the city of Louisville; voting precincts 1 and 2 of the Third Ward of the city of Louisville; and voting precincts A4, A5, A6, A17, A18, A19, A24, A26, A27, A31, A32, A34, A46, A51, A64, A68, A71, A82, A83 and A94 of Commissioner's District A.

(33) Thirty-Third District: That part of Jefferson County containing voting precincts 23, 30 and 31 of the Second Ward of the city of Louisville; voting precincts A10, A11, A15, A16, A36, A53, A57, A70, A75, A76, A84, A87, A90, A92, A93, A95, A97, A101, A104, A112, A115, A120, A130, A132, A134, A137, A141 and A152 of Commissioner's District A.

(34) Thirty-fourth District: That part of Jefferson County containing voting precincts 12, 16, 19A and 19 of the First Ward of Louisville; voting precincts 9, 11, 12, 14, 21, 24, 28, and 33 of the Second Ward of the city of Louisville; voting precincts 3, 4, 7, 8, 9, 10, 11, 12, 13, 14, 15, 18, 19, 20, 21, 22, 23, 25, 26, 27, 28, 30, 31, 32, 33, 34, 35 and 36 of the Third Ward of the city of Louisville; and voting precincts 7 and 11 of the Fifth Ward of the city of Louisville; voting precincts A96 and A103 of Commissioner's District A; and voting precinct B16 of Commissioner's District B.

(35) Thirty-fifth District: That part of Jefferson County containing voting precincts 16, 17 and 29 of the Third Ward of the city of Louisville; 1, 5A, 5, 7, 8A, 8, 9A, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 22, 25, 26, 27, 28, 29, 30, 32 and 33 of the Fourth Ward of the city of Louisville; voting precincts 22, 26, 27, 28, 29 and 30 of the Fifth Ward of the city of Louisville; and voting precincts 10 and 13 of the Eighth Ward of the city of Louisville; and voting precincts B4, B8, B11, B12, B15 and B32 of Commissioner's District B.

(36) Thirty-sixth District: Garrard County; that part of Jessamine County contained in election precincts of East Nicholasville #1, East Nicholasville #2, West Nicholasville #2, Southeast Nicholasville #1 and #2, Southwest Nicholasville #1, #2 and #3, Sulphur Well, Little Hickman, and Bethel; and that part of Madison County contained in the Lexington-Blue Grass Army Depot and in the election precincts of Blue Lick, East Berea, Gay-Stephens, North Berea, South Berea, West Berea, Big Hill, Bobtown-Redlick, Clay, Brassfield-Bearwallow and Poosey.

(37) Thirty-seventh District: That part of Jefferson County containing voting precincts 2, 21, 23 and 34 of the Fourth Ward of the city of Louisville; voting precincts 4, 6, 7, 8, 9, 10, 11, 14, 17, 18, 19, 20, 21, 22, 23, 25, 29 and 33 of the Sixth Ward of the city of Louisville; voting precincts 6, 8, and 9 of the Seventh Ward of the city of Louisville; voting precincts 11, 12, 14A, 14, 16A and 16 of the Eighth Ward of the city of Louisville; voting precincts B5 (not including that part of B5 located within the city limits of Louisville), B29, B75, B79, B82 and B92 of Commissioner's District B; and voting precincts C22 and C70 of Commissioner's District C.

(38) Thirty-eighth District: That part of Jefferson County containing voting precincts 12, 13, 15, 16, 24, 26A, 26, 27, 28, 30, 31 and 32 of the Sixth Ward of the city of Louisville; voting precincts 3A, 3, 5, 7, 10, 13, 15, 16, 18, 19, 20, 21, 22, 23, 24, 25 and 26 of the Seventh Ward of the city of Louisville; that part of voting precinct B5 of Commissioner's District B not contained within the Thirty-seventh District; and voting precincts C12, C18, C60, C87, C89 and C96 of Commissioner's District C.

(39) Thirty-ninth District: That part of Harlan County contained in the election precincts of Old Baxter, New Baxter, Pine Mountain, Bledsoe, Loyall-Old, Loyall-School and Rio Vista; that part of Perry County not contained in the Ninety-first District; that part of Owsley County not contained in the Ninetieth District.

(40) Fortieth District: That part of Jefferson County containing voting precincts 24 and 25 of the Fifth Ward of the city of Louisville; voting precinct 5 of the Sixth Ward of the city of Louisville; voting precincts 1, 2, 4, 11, 12, 14 and 17 of the Seventh Ward of the city of Louisville; voting precincts 7, 8A, 8, 9,

15A, 15, 17, 18A, 18, 19, 20 and 21, of the Eighth Ward of the city of Louisville; voting precincts 10, 11, 13, 14A, 14, 15, 16, 17 and 18 of the Ninth Ward of the city of Louisville; voting precincts 25A and 25 of the Tenth Ward of the city of Louisville; and voting precincts C9, C25, C27, C35, C51, C63 and C68 of Commissioner's District C.

(41) Forty-first District: That part of Jefferson County containing voting precincts 1, 2, 3, 11, 13, 14, 15, 17, 21, 31, 32 and 34 of the First Ward of the city of Louisville; voting precincts 2, 3, 4, 5, 6, 8, 10, 13, 15, 18, 19 and 31 of the Fifth Ward of the city of Louisville; and voting precincts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 18, 20, 29 and 30 of the Tenth Ward of the city of Louisville.

(42) Forty-second District: That part of Jefferson County containing voting precincts 12, 16, 17, 20, 21, and 23 of the Fifth Ward of the city of Louisville; voting precincts 1, 2, 3, 4, 5, 6 and 22 of the Eighth Ward of the city of Louisville; voting precincts 1, 2, 4, 7A, 7, 8, 9, 19, 20 and 21 of the Ninth Ward of the city of Louisville; voting precincts 16A, 16, 17, 19, 21A, 21, 22, 23, 24, 26, 27, 28A and 28 of the Tenth Ward of the city of Louisville; voting precincts 14, 15, 16, 17, 18A, 18, 19, 20, 21A, and 21 of the Eleventh Ward of the city of Louisville; and voting precincts 24 and 25 of the Twelfth Ward of the city of Louisville.

(43) Forty-third District: That part of Jefferson County containing voting precincts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 22 of the Eleventh Ward of the city of Louisville; and voting precincts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11A, 11, 12, 13, 14, 15, 16A, 16, 17, 18, 19, 20, 21, 22 and 23 of the Twelfth Ward of the city of Louisville.

(44) Forty-fourth District: That part of Jefferson County containing voting precincts 3, 5, 6 and 22 of the Ninth Ward of the city of Louisville; and voting precincts C1, C2, C3, C4, C10, C13, C15, C17, C20, C26, C28, C29, C36, C37, C38, C41, C42, C48, C49, C52, C62, C76, C77, C83, C84, C86, C88, C92, C93, C95, C104, C105, C106, C110 and C111 of Commissioner's District C.

(45) Forty-fifth District: That part of Jefferson County containing voting precincts B1, B2, B3, B6, B7, B9, B17, B23, B27, B28, B30, B39, B45, B55, B56, B59, B63, B66, B73, B74, B76, B81, B83, B90, B91 and B94 of Commissioner's District B; and voting precincts C23 and C102 of Commissioner's District C.

(46) Forty-sixth District: That part of Jefferson County containing voting precinct A88 of Commissioner's District A; and voting precincts B14, B20, B26, B33, B34, B35, B36, B37, B38, B41, B44, B46, B47, B50, B51, B52, B53, B57, B60, B61, B62, B65, B68, B69, B77, B80, B86, B88 and B93 of Commissioner's District B.

(47) Forty-seventh District: That part of Jefferson County containing voting precincts A8, A12, A13, A14, A20, A21, A23, A25, A28, A33, A37, A38, A41, A42, A43, A44, A45, A50, A58, A65, A69, A72, A74, A77, A106, A107, A108, A109, A110, A124, A126, A129, A133, A136, A147, A149 and A153 of Commissioner's District A.

(48) Forty-eighth District: That part of Jefferson County containing voting precincts 20 and 22 of the First Ward of the city of Louisville; and voting precincts A1, A2, A3, A7, A9, A29, A30, A40, A47, A48, A49, A52, A54, A55, A56, A59, A60, A61, A62, A66, A67, A73, A78, A79, A111, A113, A116, A121, A122, A131, A140, A142, A143, A144, A145, A148 and A150 of Commissioner's District A.

(49) Forty-ninth District: That part of Bullitt County not contained in the Twenty-seventh District.

(50) Fiftieth District: Nelson and Washington Counties.

(51) Fifty-first District: Green and Taylor Counties, and that part of Metcalfe County not contained in the Twenty-third District.

(52) Fifty-second District: Adair and Casey Counties and that part of Russell County contained in the election precincts of Webbs, Irvins, Esto, Royville, City Hall, Fairgrounds, Eli and Rowes.

(53) Fifty-third District: Wayne, Clinton and Cumberland Counties; that part of Russell County not contained within the Fifty-second and Eighty-third Districts.

(54) Fifty-fourth District: Boyle County; that part of Lincoln County contained in the Census County Divisions of Hustonville and Stanford and in Census Enumeration Districts 564 and 565.

(55) Fifty-fifth District: Mercer, Spencer and Anderson Counties.

(56) Fifty-sixth District: Woodford County; that part of Franklin County contained in election precincts Forks of Elkhorn, Switzer, Peaks Mill, Owenton Road and Swallowfield; that part of Jessamine County not contained in the Thirty-sixth District.

(57) Fifty-seventh District: That part of Franklin County not contained in the Fifty-sixth District.

(58) Fifty-eighth District: Henry and Shelby Counties.

(59) Fifty-ninth District: Oldhamand Trimble Counties.

(60) Sixtieth District: That part of Boone County not contained in the Sixty-sixth District.

(61) Sixty-first District: Carroll, Gallatin, Grant and Owen Counties.

(62) Sixty-second District: Harrison and Scott Counties.

(63) Sixty-third District: That part of Kenton County containing the following voting precincts: Crescent Springs 1 and 2; Crestview Hills; Edgewood 1, 2, 3, 4, 5 and 6; Fort Mitchell 1, 2, 3, 4, 5 and 6; Fort Wright 1, 2, 3, 4 and 5; Lakeside Park 1, 2 and 3; Park Hills 1, 2 and 3; Richardson; and that part of Sandfordtown Precinct west of the L & N Railroad track and west of Madison Pike.

(64) Sixty-fourth District: That part of Kenton County containing the following voting precincts:

Bracht, Cherokee, Covington 26, 27, 29, 30 and 43, Decoursey, Independence 1, 2 and 3, Morningview, Nicholson, Oakridge, Piner, that part of Sandfordtown not contained in the Sixty-third District, Taylor Mill 1 and 2, Visalia, Whites Tower, and Winston Park; and that part of Pendleton County contained in voting precinct Grassy Creek.

(65) Sixty-fifth District: That part of Kenton County containing the following voting precincts: Covington 7, 10, 11, 12, 13, 14, 15, 17, 18, 19, 20, 21, 23, 24, 25, 31, 33, 34, and 42; and that part of Kenton County contained within the city of Ludlow and the city of Bromley.

(66) Sixty-sixth District: That part of Boone County containing the following voting precincts: Devon 1, 1A and 2; Florence 1; that part of Florence 3 bounded as follows: beginning at the Boone County line and Old Dixie Highway, then west with Old Dixie Highway to State Highway 1017, then north on State Highway 1017 to Sebree Drive, then west on Sebree Drive to Jortha Avenue, then north on Jortha Avenue to Lloyd, then east on Lloyd and Drexel Avenue to Oakwood Drive, then northeast on Oakwood Drive and High Ridge Avenue to Florence city limits, then east with city limits of Florence to Boone County line, then to point of beginning; Florence 6; that part of Kenton County containing the following voting precincts: that part of Bromley precinct not contained in Ludlow city and in Bromley city, Elsmere 1, 2, 3 and 4, Erlanger 1, 2, 3, 4, 5, 6, 7, 8 and 9, Villa Hills 1 and 2.

(67) Sixty-seventh District: That part of Campbell County containing all of the voting precincts in the city of Newport; that part of Campbell County containing the following voting precincts: Southgate A, B and C, Wilder and Woodlawn; that part of Kenton County containing the following voting precincts: Covington 1, 3, 6, 35, 36, 39, 40, and 41.

(68) Sixty-eighth District: That part of Campbell County containing the following voting precincts Bellevue A, B, C, D, E, F, G, H and I; Dayton A, B, C, D, E, F, and G; Fort Thomas A, B, C, D, E, G, L and P, Brent, Crestview, Silver Grove, Hayfield, Carthage, Camp Springs, California, Mentor and Gubser's Mill and Melbourne; Pendleton County precincts Bonar, Sandsuck, and Falmouth 3; and Bracken County precincts Foster, Johnsville, Augusta West and Augusta East.

(69) Sixty-ninth District: That part of Campbell County not contained in the Sixty-seventh and Sixty-eighth Districts; that part of Pendleton County not contained in the Sixty-fourth District and in the Sixty-eighth District.

(70) Seventieth District: Mason, Fleming and Robertson Counties; that part of Bracken County not contained in the Sixty-eighth District.

(71) Seventy-first District: Morgan and Rowan Counties; that part of Lawrence County contained in election precincts Martha, Blaine, Brushey and Meades Branch; and that part of Lewis County contained in the election precincts of Concord, Mowers, Tollesboro, and Burtonsville and in that part of the election precinct of Peterville southwest of a line commencing at the intersection of State Highway 377 at the Rowan-Lewis County line; thence following the centerline of Highway 377 to the Handy Fork Road, thence with the centerline of Handy Fork Road to its termination; thence with a straight line from the end of the Handy Fork Road to the Sargeant Branch Road; thence with the centerline of the Sargeant Branch Road to the intersection of State Highway 509; thence with the centerline of State Highway 509 northeast to Petersville and the intersection of Highway 344; thence northwest with the centerline of Highway 344 to the Burtonville Precinct boundary.

(72) Seventy-second District: Bourbon County and that part of Fayette County not contained in the Seventy-fifth District, the Seventy-sixth, Seventy-seventh, Seventy-eighth and Seventy-ninth Districts.

(73) Seventy-third District: Clark and that part of Powell County west of a line extending from the Montgomery County line south with the centerline of State Highway 213 to State Highway 11 and 15, then westward with the center of State Highway 11 and 15 to the western city limits of Stanton, then eastward around the southern city limits of Stanton to the Mountain Parkway, then eastward with the Mountain Parkway to State Highway 11 and 15, then southward with State Highway 11 and 15 to Cat Creek-High Rock Road, then south with said road and an unnamed branch of Cat Creek to Knowlton Ridge Road, then southward with Knowlton Ridge Road to State Highway 213, then southward with State Highway 213 to the Estill County line.

(74) Seventy-fourth District: Bath, Nicholas and Montgomery Counties.

(75) Seventy-fifth District: That part of Fayette County contained within the following election precincts: Davidson Court, Fayette Park, Hampton Court, Preston Inn, West Main, Church, Deerfield, Fair Grounds, Goodrich, Merino, Open Gates, Picadome, Rodes Addition, Rosemont, Towers, Alabama, Ashland Avenue, Aylesford, Bell Place, Bunker, Campsie, Clifton, College View, Hollywood, Lawrence, Mt. Vernon, and Woodland.

(76) Seventy-sixth District: That part of Fayette County contained within the following election precincts: Blue Acres, Marlboro, Radcliffe, Aspendale, Bluegrass, Breckenridge, Bryan Station, Castlewood, Crawford, Deep Springs, Dixie, Eastland, Emerson, Helm, Henry Clay, Hermitage, Idle Hour, Kenwick, Liberty Heights, Loudon, Northern, Ohio, Rookwood, Victory, Walnut Street, Walton, Warfield Place, Augusta, Greenleaf and Delaware.

(77) Seventy-seventh District: That part of Fayette County contained within the following election

precincts: Alexandria, Barker, Cardinal Valley, Douglas, Evans, Fairlawn, Garden Springs, Gibson Park, Holiday Hills, Imperial, Julius Marks, Keys, Lane Allen, Larkspur, Meadowthorpe, Oxford, Pine Meadows, St. Martins, Skycrest, Terrace View, Turfland, Versailles Pike, Viley Heights, Washington, Wolf Run, Barkley, Lafayette, Clays Mill, Hill-n-Dale, Indian Hills, Longview, Pershing, Southview and Arlington.

(78) Seventy-eighth District: That part of Fayette County contained within the following election precincts: Beaumont, Meridian, The Colony, Airport, Blueberry Hills, Brigadoon, Brookhaven, Camelot, Glendover, Hinda Heights, Keithshire, Lansdowne, Leawood, McDowell, Malabu, Montavesta, Monticello, Redding Road, Shadeland, Shady Lane, Stone, Stonewall, Wem, Zandale, Robinwood, South Point, Tudor, Bayswater, Kirklevington, Stoneybrook, Surfside, and Plantation.

(79) Seventy-ninth District: That part of the county of Fayette contained within the following election precincts: Fairway, Gainesway, Lakeview, Mt. Tabor, Merrick, Richmond Road, Shrine, Southeastern Hills, Tates Creek, Walnut Hill, Delong, River Park, Blairmore, Edgewater, Ascot, Park Hills, Cove Lake, Chevy Chase, Chilesburg, Duke, Ellerslie, Fontaine, Woodspoint, Alsab, and Ridgeway.

(80) Eightieth District: Rockcastle County; that part of Lincoln County not contained in the Fifty-fourth District; that part of McCreary County not contained in the Eighty-second district; and that part of Pulaski County contained within the following voting precincts: Eubank 25, Estesburg 26, Hazeldell 29, Good Hope 28, Dallas, Mayfield, Mt. Victory, Sloans Valley, Gamblin, Buncombe, and Catron 31.

(81) Eighty-first District: That part of Madison County not contained in the Thirty-sixth District.

(82) Eighty-second District: That part of Whitley County not contained in the Eighty-seventh District; that part of McCreary County contained within Census Enumeration Districts 182, 183, 185 and 186.

(83) Eighty-third District: That part of Pulaski County not contained in the Eightieth District; and that part of Russell County contained in the election precinct of Jabez.

(84) Eighty-fourth District: Estill, Lee and Menifee Counties; that part of Powell County not contained in the Seventy-third District; and that part of Jackson County not contained in the Ninetieth District.

(85) Eighty-fifth District: Laurel County.

(86) Eighty-sixth District: Knox County; that part of Clay County contained in voting precincts Harts Branch, Horse Creek, Manchester, Garrard and Whites Branch.

(87) Eighty-seventh District: Bell County and that part of Whitley County southeast of a line beginning at the Tennessee State line, following the Pine Mountain Divide northeastward, then westward with the Vanderpool Mountain Divide to the Rose Creek-Seng Branch Divide, then northward with said divide to the Gatliff Lookout Road, then with said road to State Highway 904, then eastward with State Highway 904 to State Highway 1809, then northward with State Highway 1809 to the Knox County line.

(88) Eighty-eighth District: That part of Harlan County not contained in the Thirty-ninth District.

(89) Eighty-ninth District: Breathitt, Wolfe and Magoffin Counties.

(90) Ninetieth District: Leslie County; that part of Jackson County contained in Census Enumeration Districts 81, 82, 83 and 76U; that part of Clay County not contained in the Eighty-sixth District; that part of Owsley County contained in election precincts Island Creek, Sturgeon and Elk Lick.

(91) Ninety-first District: That part of Perry County contained in the election precincts of Whitaker, Little Leatherwood, Cornettsville, Fusonia, Vicco, Happy, Jeff, Farmertown and Christopher; that part of Pike County south and west of a line beginning at the Letcher County line, then northeast with the Marshall Branch-Booker Branch Divide and the Orchard Branch-Blaze Branch Divide to Gale Road, then with the Gale Road to its intersection with U.S. Highway 23, then in a straight line eastwardly to Herman Siding Station, then south-southeast with northern boundary of Dorton Census County Division to the Virginia state line and that part of Letcher County not contained in the Ninety-second District.

(92) Ninety-second District: Knott County; that part of Letcher County contained in the voting precincts of Ison, Colson, Marion, Blackey, Doty and Baker; that part of Floyd County contained in the voting precincts of Rock Fork #37, Wayland #18, Lackey #17, Bosco #15, Beechgrove #41, Jack Allen, Middle Creek #8, Maytown, Rough and Tough #12, Abbott #35, and Garrett #16.

(93) Ninety-third District: That part of Pike County not contained in the Ninety-first and Ninety-fourth Districts.

(94) Ninety-fourth District: That part of Pike County contained in the Census County Divisions of Pikeville, Mayflower, Raccoon, Sidney and South Williamson and Census Enumeration Districts 505 and 506.

(95) Ninety-fifth District: That part of Floyd County not contained in the Ninety-second District.

(96) Ninety-sixth District: Carter County; that part of Lewis County not contained in the Seventy-first District; that part of Greenup County contained in Census Enumeration District 831.

(97) Ninety-seventh District: Johnson and Martin Counties.

(98) Ninety-eighth District: That part of Greenup County not contained in the Ninety-sixth and One hundredth Districts.

(99) Ninety-ninth District: Elliott County; that part of Lawrence County not contained in the

Seventy-first District; that part of Boyd County containing the following voting precincts: Court House, City Building, Argo, Hampton, England Hill, Durbin, East Fork, Cannonsburg, Princess, Garner , Hoods Creek, Fairview, Buckley #1, Buckley #2, Westwood , Fannin, Ashland Oil and Greenhill.

(100) One hundredth District: That part of Boyd County not contained in the Ninety-ninth District and that part of Greenup County contained in the city of Bellefonte.

Adjournment

Representative LeMaster moved that the House adjourn until 10:00 a.m., Thursday, March 29, 1984.

On the roll call the vote was yeas 63-Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Craddock, Crupper, Curd, Cyrus, Donnermeyer, Dunn, Ellington, Ford, Freibert, Gedling, Gray, Hancock, Handy, Harper, Hines, Holloway, Johnson, Kidd, Layman, Lile, List, Little, Long, Mann, McBee, McNutt, Meyer, Moberly, Nett, Noe, Noland, O'Brien, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, F. Smith, Stumbo, Thomason, Van Horn, White, Williams, Worthington, Yates. Nays 3-Maggard, Overstreet, B. Smith.

The motion to adjourn was adopted.

THURSDAY, MARCH 29, 1984

FIFTY-SEVENTH LEGISLATIVE DAY

The House was called to order by Speaker Richardson.

Prayer by Dr. Billy G. Hurt, First Baptist Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present.

Representative Brinkley moved that the reading of the Journal of March 28, 1984, be dispensed with and the same approved. Agreed.

Senate Message

The Senate has appointed the following members to serve on a Free Conference Committee of **HB 367**, **HB 406**, **HB 474**, and **HB 475**: Senators Berger, Moloney, McCuiston, Bailey, and Schmidt.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 76**, **HB 702**, **HB 817**, **HB 843**, **HB 931**, **HJR 25** had been examined and found correctly enrolled. Said Bills and Resolution read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 10:30 a.m.)

Representative LeMaster moved that the rules be suspended for Introduction of Resolutions. Agreed.

Introduction of Resolutions

HR 163, by Representative Nett: A RESOLUTION commending the University of Louisville for public service in the field of public law.

HR 164, by Representative Handy: A RESOLUTION directing study of current practices relating to child support.

HR 165, by Representative Nett: A RESOLUTION petitioning the United States Department of the Interior to review and reconsider administrative decisions and regulations that tend to decrease incentives for the recovery of waste coal resources.

Orders of the Day

Representative LeMaster moved that **SB 105**, **SB 116**, **SB 302**, **HB 859**, **SB 341**, **SB 353**, **SB 371**, **SB 178**, **SB 269**, **SB 338**, **SB 339**, **SB 160**, **SB 199**, and **HB 592** have been recommitted to the Committee on Appropriations and Revenue. Agreed.

HB 51, with Senate Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendments to **HB 51** are as follows:

Amend printed copy of **HB 51** on page 9, line 12, by placing a period "." after the word "*Commonwealth*";

and on page 9, line 12, by inserting before the semicolon ";" the following language: "*Analysis shall include a careful evaluation of character, experience, record, and prospects for sound financial management* *and sound operation of the project. Financial ability factors to be considered shall include the applicant's total assets controlled, equity owned, contingent liabilities, history of earnings to date, and repayment capacity, as well as other factors set by the corporation. Consideration may be given to the special needs of beginning farmers*";

and on page 9, line 13, after "*area*" insert the following: "*based upon general economic conditions and unemployment in the region*";

and on page 9, by deleting line 14

and on page 9, line 15, after "*project*" and "*based upon generally accepted cost-benefit methodology; and*";

and on page 9, following line 15, by inserting the following:

"*(e) Consistency of the project with other policies of the Commonwealth designed to ensure a sustained land base for agricultural including preservation of prime farmland and promotion of soil conservation techniques for protection of farmland.*"

and on page 4, lines 20 and 21, by deleting the following: "*; provided, however, it is not the intent of this Act to provide a means*" and inserting in lieu thereof "*or to provide*".

Representative Burnette moved that the House concur in Senate Amendment No. 1 to **HB 51**. Agreed.

Representative Burnette moved that the House concur in the Senate Amendment No. 2 to **HB 51**. Agreed.

Representative Burnette moved that **HB 51**, as amended by the Senate, be passed.

On the roll call the vote was yeas 81-Arnold, Bennett, Blandford, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Noe, Noland, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 1-Johnson.

HB 51, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 51**, as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 749, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment to **HB 749** is as follows:

Amend printed copy of **HB 749** as follows:

on page 28, line 1, through page 30, line 14 by deleting Sections 14 and 15 in their entirety;

on page 30, line 15, Section 16 becomes Section 14.

on page 35, line 7, Section 17 becomes Section 15.

on page 36, line 11, Section 18 becomes Section 16.

on page 38, line 14, Section 19 becomes Section 17.

Representative P. Richardson moved that the House concur in the Senate Amendment No. 1 to **HB 749**. Agreed.

Representative P. Richardson moved that **HB 749,** as amended by the Senate, be passed.

On the roll call the vote was yeas 87-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Brown, Burch, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Noe, Noland, O'Brien, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 749, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 749,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 153, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment to **HB 153** is as follows:

Amend printed copy of **HB 153** on page 2, line 1, after "*grade*" insert:

"*or unless he has completed the equivalent of a twelfth grade education as determined by an examination held under rules and regulations adopted by the state board of education*";

on page 2, line 1, after "*grade*" delete all new language through "*herein*" on line 2;

on page 4, after line 8, insert:

"Section 2. KRS 121.100 is amended to read as follows:
(1) The provisions of KRS 121.015, 121.100 to 121.200, and 121.990 shall apply to all candidates running for public office, including urban-county governments and *all* boards of education [~~that have jurisdiction over annual budgets exceeding $50,000,000~~], in any primary or general election, or in any special election to fill a vacancy.[~~, except~~]
(2) The provisions of subsection (1) of this section shall not apply to those candidates running for federal office, [~~boards of education that have jurisdiction over annual budgets of $50,000,000 or less,~~] county and local district offices filled by less than a countywide constituency, including conservation district offices, and offices in cities of the third, fourth, fifth and sixth classes.
(3) [~~However, the~~] *The provisions of subsection (2) of this section shall not apply to candidates running for boards of education.*
(4) The provisions of KRS 121.190 shall apply to all candidates for public office."

Representative Freibert moved that the House concur in the Senate Amendment No. 2 to **HB 153.** Agreed.

Representative Freibert moved that **HB 153,** as amended by the Senate, be passed.

On the roll call the vote was yeas 68-Barrows, Bennett, Blandford, Blevins, Brinkley, Bruce, Burch, Caldwell, Clapp, L. Clark, Cowan, Craddock, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Foster, Freibert, Gray, Guenthner, Handy, Harper, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Morris, Noe, Noland, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, Riner, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, Williams, Worthington, Yates. Nays 21-Allen, Arnold, Brown, Bendl, Cline, Crupper, Endicott, Farrow, Ford, Fryman, Gedling, Hancock, Moore, Overstreet, Pearman, P. Richardson, Robinson, Seum, Todd, Turner, White.

HB 153, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 153,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 298, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment to **HB 298** is as follows:

Amend printed copy of **HB 298** on page 2, line 2, by inserting the following after the word "podiatry": "*. Physical therapy includes*";

and also on line 2, by inserting an opening bracket in front of the phrase "includ-" and by placing strikethroughs therein;

and on line 3, by placing strikethroughs in the following "ing, but not limited to," and by inserting a closing bracket after the phrase "limited to,";

and on line 8, by inserting after the word "status" the following: "*only if the patient's condition or the complexity and sophistication of the procedure requires that such therapy can be safely and effectively performed only by or under the supervision of a qualified physical therapist*".

Representative Long moved that the House refuse to concur in the Senate Amendment to **HB 298.** Agreed.

HB 590, with Senate Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendments to **HB 590** are as follows:

Amend printed copy of **HB 590** on page 1, line 4 by deleting "*as defined in KRS 376.195,*";

and on page 4, by inserting after line 10 the following:

"*(5) For purposes of this section, "labor" includes but is not limited to, all work done by teams, trucks, machinery, and mechanical equipment, whether the owner furnishes a driver or operator or not.*"

on page 4, by inserting after line 10 the following:

"SECTION 2. A NEW SECTION OR KRS CHAPTER 376 IS CREATED TO READ AS FOLLOWS:
For the purpose of this chapter, in those instances where ownership of tangible personal property cannot be ascertained from public records maintained as required by law, the person, firm or corporation delivering the tangible personal property for repair or storage shall be deemed the owner thereof, unless the person supplying repair or storage has actual knowledge to the contrary."

Representative Donnermeyer moved that the House concur in the Senate Amendment No. 1 to **HB 590.**

On the roll call the vote was yeas 42-Bennett, Blandford, Bronger, Burch, Clapp, L. Clark, Cowan, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Foster, Gray, Hancock, Handy, Heleringer, Holbrook, Johnson, R. Jones, T. Jones, Kidd, LeMaster, Little, Long, Mann, McBee, Meyer, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, Riner, Stumbo, Thomas, Thomason, Van Horn, Williams, Worthington, Yates. Nays 40-Allen, Barrows, Bendl, Brinkley, Brown, Caldwell, Cline, Crupper, Deskins, Ellington, Endicott, Farrow, Ford, Freibert, Fryman, Gedling, Harper, Head, Hines, Layman, Lefevers, Lile, McElroy, McNutt, Moberly, Moore, Morris, Noland, Overstreet, Patrick, Pearman, Rattliff, P. Richardson, Robinson, B. Smith, F. Smith, Stone, Todd, Turner, White.

The motion that the House concur in the Senate Amendment No. 1 to **HB 590** was adopted.

Representative Donnermeyer moved that the House concur in the Senate Amendment No. 2 to **HB 590.** Rejected.

Report on Enrolled Bills

HB 76, HB 702, HB 817, HB 843, HB 931, and **HJR 25** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Orders of the Day

HB 888, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment to **HB 888** is as follows:

Amend printed copy of **HB 888** on page 3, line 12, by adding the following:

"*(5) The cabinet shall approve the transfer application if:*

(a) A joint agreement or sale has been executed;

(b) The transferee has posted bond satisfactory to the cabinet which insures reclamation of the entire area of land affected under the permit;

(c) The transferee has paid the fee pursuant to subsection (1) of this section;

(d) The transferee has agreed to operate under provisions of the approved permit being transferred."

Representative Deskins moved that the House concur in the Senate Amendment No. 1 to **HB 888.** Agreed.

Representative Deskins moved that **HB 888,** as amended by the Senate, be passed.

On the roll call the vote was yeas 86-Allen, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Noe, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 0.

HB 888, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 888,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 271, with Senate Amendments attached thereto, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendments to **HB 271** are as follows:

Amend printed copy of **HB 271** on page 6, after line 15, by inserting the following:

"*(22) "Identity" means any chemical or common name which is indicated on the material safety data sheet (MSDS) for the substance. The identity used shall permit cross-reference to be made among the required list of hazardous substances, the label and the MSDS.*"

on page 2, line 7, after the word "*commissioner*" by inserting the words "*through promulgation of regulations pursuant to KRS Chapter 13,*";

on page 6, after line 15, by adding the following:

"(22) Chemical Manufacturer" means an employer in SIC Codes 20 through 39 with a workplace where hazardous substances are produced for use or distribution.

(23) "Distributor" means a business other than a chemical manufacturer or importer, which supplies hazardous substances to other distributors or to manufacturing purchasers.

(24) "Employer" means a person engaged in a business within SIC Codes 20 through 39 where hazardous substances are either used, or are produced for use within that workplace.

(25) "Manufacturing purchaser" means an employer with a workplace classified in SIC Codes 20 through 39 who purchases a hazardous substance for use within that workplace."

on page 6, line 21, by deleting the word "*chapter*" and by inserting the word "*Act*" in lieu thereof.

Representative Cyrus moved that the House refuse to concur in Senate Amendment No. 1 to **HB 271.** Agreed.

Representative Cyrus moved that the House refuse to concur in Senate Amendment No. 2 to **HB 271.** Agreed.

HB 635, with Senate Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendments to **HB 635** are as follows:

Amend printed copy of **HB 635** on page 3, after line 19, by adding the following:

"Section 4. Section 12 of 1984 Senate Bill 46 is repealed."

on page 1, by amending the title to read as follows:

"AN ACT relating to rights of action."

Representative Meyer moved that the House concur in the Senate Amendment No. 2 to **HB 635.** Rejected.

Representative Meyer moved that the House concur in the Senate Amendment No. 1 to **HB 635.**

Representative Burch inquired whether the Senate Amendment No. 1 was germane to **HB 635.**

The Chair rules Senate Amendment No. 1 was not germane to **HB 635.**

HB 25, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment to **HB 25** is as follows:

Amend printed copy of **HB 25** on page 1, line 4, by inserting after the word "*on*" the following: "*an unpaved*" and by deleting the following: "*a*"; and

on page 1, line 5, by inserting after the word "*of*" the following: "*coal*" and by deleting the following: "*natural resources*"; and

on page 1, line 6, by inserting after the words "*of the*" the following: "*coal*" and by deleting the following: "*natural resources*"; and

on page 1, line 7, by inserting after the word "*that*" the following: "*is*" and by deleting the following: "*are*"; and

on page 1, line 9, by inserting after the word "*of*" the following: "*coal*" and by deleting the following: "*natural resources*"; and on page 1, line 13, by inserting after the word "*producer's*" the following: "*coal*" and by deleting the following: "*natural resources*"; and

on page 1, line 16, by inserting after the words "*which the*" the following: "*ton-miles*" and by deleting the following: "*tonnage*"; and

on page 1, line 17, by inserting after the word "*of*" the following: "*coal*" and by deleting the following: "*natural resources*"; and

on page 1, line 18, by inserting after the word "*total*" the following: "*ton-miles*" and by deleting the following: "*tonnage*"; and

on page 1, line 18, by inserting after the word "*of*" the following: "*coal*" and by deleting te following: "*natural resources*"; and

on page 2, line 3, by inserting after the word "*of*" the following: "*unpaved*".

Representative Moore moved that the House refuse to concur in Senate Amendment No. 1 to **HB 25.** Agreed.

Speaker Pro Tempore Blandford presiding.

HB 857, with Senate Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendments to **HB 857** are as follows:

Amend printed copy of **HB 857** on page 10, line 14, by inserting after the word "amount." the following section:

"Section 2. Whereas, many of the contracts for work in the abandoned mine land program are to be entered into in the spring before the effective date of this Act, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the governor."

on page 1, by amending the title to read as follows: "AN ACT relating to surface coal mining and declaring an emergency."

Representative Stumbo moved that the House concur in Senate Amendment No. 1 to **HB 857.** Agreed.

Representative Stumbo moved that the House concur in Senate Amendment No. 2 to **HB 857.** Agreed.

Representative Stumbo moved that **HB 857,** as amended by the Senate, be passed.

On the roll call the vote was yeas 85-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Noe, Noland, O'Brien, Overstreet, Pearman, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 1-Perkins.

HB 857, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 857,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 860, with Senate Committee Substitute and Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Committee Substitute to **HB 860** is as follows:

HB 860, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 190.090 is amended to read as follows:

As used in KRS 190.090 to 190.140 unless the context or subject matter otherwise requires:

(1) "Person" means an individual, partnership, corporation, association, and any other group however organized.

(2) "Retail instalment sale" means any sale for other than business or commercial use evidenced by a retail instalment contract wherein retail buyer agrees to buy and retail seller agrees to sell a motor vehicle at a time sale price payable in two or more instalments. The cash sale price of the motor vehicle, the amount, if any, included for insurance and other benefits, official fees and the finance charge, shall together constitute the time sale price.

(3) "Retail instalment contract" means any agreement, entered into in this state, evidencing a retail instalment sale of a motor vehicle, other than for the purpose of resale, pursuant to which title to, or a lien upon the motor vehicle is retained by the retail seller as security for the retail buyer's obligation. This term includes a mortgage, conditional sale contract or any contract for the bailment or leasing of a motor vehicle by which the bailee or lessee contracts to pay as compensation for its use a sum substantially equivalent to the time sale price of the motor vehicle and by which it is agreed that the bailee or lessee is bound to become, or has the option of becoming, the owner of such motor vehicle.

(4) "Motor vehicle" means any device [~~with a cash sale price of five thousand dollars ($5,000) or less,~~] in, upon, or by which any person or property is, or may be transported or drawn upon a highway. The term does not include self-propelled wheelchairs and invalid tricycles, tractors, power shovels, road machinery, implements of husbandry and other agricultural machinery, or other machinery not designed primarily for highway transportation but which may incidentally transport persons or property on a highway, or devices which move upon or are guided by a track or travel through the air. A moped as defined in KRS 190.010 shall be subject to the same requirements as a motor vehicle under this section.

(5) "Retail seller" or "seller" means a person who sells or agrees to sell a motor vehicle under a retail instalment contract to a retail buyer.

(6) "Retail buyer" or "buyer" means a person who buys or agrees to buy a motor vehicle from a retail seller not for the purpose of resale and who executes a retail instalment contract in connection therewith.

(7) "Sales finance company" means a person engaged in the business of creating and holding or purchasing or acquiring retail instalment contracts from a retail seller. The term includes a bank, trust company, private banker, industrial bank, investment company or national bank, if so engaged.

(8) "Cash sale price" means the price at which the seller would in good faith sell to the buyer, and the buyer would in good faith buy from the seller, the motor vehicle which is the subject matter of the retail instalment contract, if such sale were a sale for cash, instead of a retail instalment sale. The cash sale price may include any taxes, registration fees, certificate of title fees, if any, license fees, charges for delivery, servicing, repairing, or improving the motor vehicle, including accessories and their installation.

(9) "Official fees" means the fees prescribed by law for filing, recording or otherwise perfecting and releasing or satisfying a retained title or a lien created by a retail instalment contract.

(10) "Finance charge" means that part of the time sale price by which it exceeds the aggregate of the cash sale price, the amount, if any, included for insurance and other benefits and official fees included in the retail instalment sale.

(11) Words in the singular include the plural and vice versa.

Section 2. KRS 190.100 is amended to read as follows:

(1) (a) Every retail instalment contract shall be in writing in at least eight (8) point type, shall contain all the agreements of the parties, shall be signed by the retail buyer, and a copy thereof shall be furnished to such retail buyer at the time of the execution of the contract.

(b) No provision of a retail instalment contract which purports to provide for the inclusion of title to or a lien upon any goods other than the motor vehicle, accessories and special or auxiliary equipment used in connection therewith which either are the subject of the retail instalment sale or are substitution in whole or in part therefor, as security for payment of such time sale price shall be valid or enforceable; but the other provisions of the retail instalment contract shall not be affected thereby.

(c) No provisions for confession of judgment, power of attorney therefor, or wage assignment contained in any retail instalment contract shall be valid or enforceable.

(d) *If the finance charge applicable to a retail installment contract has been determined by a pre-computed method,* the holder of a retail instalment contract may collect a delinquency and collection charge on each instalment in arrears for a period not less than ten (10) days in an amount not in excess of five percent (5%) of each instalment or five dollars ($5.00), whichever is the less. In addition to such delinquency and collection charge, the retail instalment contract may provide for the payment of attorneys' fees not exceeding fifteen percent (15%) of the amount due and payable under such contract where such contract is referred to an attorney not a salaried employe of the holder of the contract for collection, plus the court costs.

(e) Unless notice has been given to the retail buyer of actual or intended assignment of a retail instalment contract, payment thereunder or tender thereof made by the retail buyer to the last known holder of such contract shall be binding upon all subsequent holders or assignees.

(f) Upon written request from the retail buyer, the holder of the retail instalment contract shall give or forward to the retail buyer a written statement of the [~~dates and amounts of payments and the~~] total amount unpaid under such contract. A retail buyer shall be given a written receipt for any payment when made in cash.

(2) The retail instalment contract shall contain the following [~~items~~]:

(a) The cash sale price of the motor vehicle which is the subject matter of the retail instalment sale;

(b) The amount of the retail buyer's down payment, whether made in money or goods, or partly in money or partly in goods;

(c) The difference between *paragraphs* [~~items~~] (a) and (b) *of this subsection*;

(d) 1. Amount, if any, included for insurance and other benefits;

2. Types of coverage and benefits;

(e) Official fees as defined in KRS 190.090;

(f) Principal balance, which is the sum of *paragraphs* [~~item~~] (c), [~~item~~] (d), and [~~item~~] (e) *of this subsection.*[~~;~~

~~(g) The amount of the finance charge;~~

~~(h) The time balance payable by the retail buyer to the retail seller, the number of instalment payments required and the amount of each instalment expressed in dollars or percentages, and date of each payment necessary finally to pay the time balance which is the sum of item (f) and item (g); Provided, however, That said items (a) to (h) inclusive need not be stated in the sequence or order set forth above and that additional items may be included which serve to explain the calculations involved in determining the stated time balance to be paid by the retail buyer.~~]

(3) The retail instalment contract shall contain a definite statement in twelve (12) point bold type or larger, that the insurance, if any included in the retail instalment sale provides or does not provide coverage for personal liability and property damage caused to others, as the case may be.

(4) The amount, if any, included for insurance, shall not exceed the premiums chargeable in accordance with applicable rate filings made with the commissioner of insurance. Every retail seller or sales finance company, if insurance on the motor vehicle is included in a retail instalment contract shall within thirty (30) days after execution of the retail instalment contract send or cause to be sent to the retail buyer a policy or policies or certificate of insurance, which insurance shall be written by a company authorized to do business in this state, clearly setting forth the amount of the premium, the kind or kinds of insurance and the scope of the coverage and all the terms, exceptions, limitations, restrictions and conditions of the contract or contracts of the insurance. The buyer of a motor vehicle under a retail instalment contract shall have the privilege of purchasing such insurance from an agent or broker of his own selection and of selecting an insurance company acceptable to the seller; Provided, however, That the inclusion of the insurance premium in the retail instalment contract when the buyer selects the agent, broker or company, shall be optional with the seller. If any such policy is canceled, the unearned insurance premium refund received by the holder of the contract shall be credited to the final maturing instalments of the retail instalment contract.

(5) Any sales finance company hereunder may purchase or acquire from any retail seller any retail instalment contract on such terms and conditions as may be agreed upon between them. No filing of the assignment, no notice to the retail buyer of the assignment, and no requirement that the retail seller shall be deprived of dominion over the payments thereunder or the goods covered thereby if repossessed by the retail seller shall be necessary to the validity of a written assignment of a retail instalment contract as against creditors, subsequent purchasers, pledgees, mortgagees and lien claimants of the retail seller.

(6) An acknowledgment in the body of the retail instalment contract by the retail buyer of the delivery of a copy thereof shall be conclusive proof of delivery in any action or proceeding by or against any assignee of a retail instalment contract.

Section 3. KRS 190.110 is amended to read as follows:

(1) The finance charge in a retail instalment sale shall not exceed the following rates:

Class 1. Any new or used motor vehicle designated by the manufacturer by a year model not earlier than the year in which the sale is made -- eleven dollars ($11.00) per one hundred dollars ($100).

Class 2. Any new motor vehicle not in class 1 and any used motor vehicle designated by the manufacturer by a year model of one (1) or two (2) years prior to the year in which the sale is made -- thirteen dollars ($13.00) per one hundred dollars ($100).

Class 3. All other motor vehicles not in class 1 or 2 -- fifteen dollars ($15.00) per one hundred dollars ($100).

(2) Such finance charge shall be computed on the principal balance as determined under KRS 190.100 (2) on contracts payable in successive monthly payments substantially equal in amount extending for a period of one (1) year. On contracts providing for instalment payments extending for a period less than or greater than one (1) year, the finance charge shall be computed proportionately.

(3) When a retail instalment contract provides for unequal or irregular instalment payments, the finance charge shall be at the effective rate provided in subsection (1) *of this section* [~~hereof~~], having due regard for the schedule of payment.

(4) The finance charge allowed by this section may be pre-computed by using an add-on method. Alternatively, the seller may, at his option, compute the finance charge on a simple interest basis, at a fixed or variable rate, but in such case the amount of finance charge that the seller may collect shall not exceed the amount that could be collected if the finance charge were pre-computed.

Section 4. KRS 190.120 is amended to read as follows:

(1) If the finance charge applicable to the retail installment contract has been determined by a pre-computed method, the retail buyer may pay in full at any time before the stated maturity date and upon such prepayment in full the retail buyer shall receive a refund of a portion of the finance charge computed in accordance with the Rule of 78's. An acquisition cost of twenty-five dollars ($25) shall be deducted from the finance charge before computation of the refund. Where the refund is less than one dollar ($1.00) no refund need be made and acceleration of the balance by the seller, caused by the default of the buyer or otherwise, shall not affect the date of computation. Any balance remaining unpaid as of the stated maturity date shall then be subject to accumulation of additional finance charge at the rate specified in the contract.

(2) If the finance charge applicable to the retail installment contract has or will be determined by a simple interest method, the retail buyer may pay in full at any time before the stated maturity date without penalty, except that the holder may collect and receive a minimum finance charge of twenty-five dollars ($25) in any event [~~Notwithstanding the provisions of any retail instalment contract to the contrary, any retail buyer may pay in full at any time before maturity the debt of any retail instalment contract and in so paying such debt shall receive a refund credit thereon for such anticipation of payments. The amount of such refund shall represent at least as great a proportion of the finance charge after first deducting from such finance charge an acquisition cost of twenty-five dollars ($25.00), as the sum of the periodic time balances after the month in which payment is made, bears to the sum of all the periodic time balances under the schedule of payments in the original contract. Where the amount of the credit for anticipation of payment is less than one dollar ($1.00), no refund need be made~~].

Section 5. KRS 190.130 is amended to read as follows:

The holder of a retail instalment contract may, upon agreement with the retail buyer, extend the scheduled due date, defer the scheduled payment of all or part of any instalment payment or payments, or renew the balance of such contract. In any such case the holder may restate the amount of the instalments and the time schedule therefor, and collect as a refinance charge for such extension, deferment or renewal, a flat service fee not to exceed five dollars ($5.00) and *an* [~~a total~~] additional *finance charge computed at the same rate and by the same method as originally set out in the retail installment contract* [~~charge not exceeding an amount equal to one per cent (1%) per month simple interest on the respective descending balances~~] computed from the date of such extension, deferment or renewal.

Section 6. KRS 134.810 is amended to read as follows:

(1) All state, county, school and special taxing district ad valorem taxes shall be due and payable on or before the last day of the month in which registration is required by law for all motor vehicles renewed [~~or transferred~~].

(2) All state, county, school and special taxing district ad valorem taxes due on motor vehicles shall become delinquent following the end of the month in which registration is required by law.

(3) Any taxes which are paid within thirty (30) days of becoming delinquent shall be subject to a penalty of three percent (3%) on the taxes due. Any taxes which are not paid within thirty (30) days of becoming delinquent shall be subject to a penalty of ten percent (10%) on the taxes due. In addition, interest at an annual rate of fifteen percent (15%) shall accrue on said taxes and penalty from the date of delinquency; *provided, however, that no penalty or interest shall accrue on a motor vehicle under dealer assignment pursuant to KRS 186A.220.* The county clerk *may* [~~shall~~] file a lien on any motor vehicle for which taxes have become delinquent on behalf of the state, county, school, and special taxing districts and record such lien on the face of the certificate of title and registration, and also record the lien in the manner in which lis pendens are recorded.

(4) When a motor vehicle has been transferred before registration renewal or before taxes due have been paid, the purchaser shall become liable for the taxes on said motor vehicle.

(5) In the event that an owner obtains a certificate of registration for a motor vehicle valid through the last day of his second birth month following the month and year in which he applied for a certificate of registration, all state, county, school, and special tax district ad valorem tax liabilities arising from the

assessment date following initial registration are due and payable on or before the last day of the first birth month following said assessment date or date of transfer, whichever is earlier. Any taxes due under the provisions of this subsection and not paid as set forth above shall be considered delinquent and subject to the same interest and penalties found in subsection (3) of this section.

Section 7. KRS 186.021 is amended to read as follows:

(1) No county clerk shall issue a registration for renewal [~~or transfer~~] for any motor vehicle on which state, county, school, or special taxing district ad valorem taxes are due and have not been paid.

(2) No county clerk shall issue a registration renewal for any motor vehicle which is not insured in compliance with KRS 304.39-080. Each applicant for registration renewal shall present proof of compliance to the county clerk in a manner prescribed in regulations issued by the department of insurance.

Section 8. The provisions of Sections 6 and 7 of this Act shall become effective January 1, 1985.

The Senate Amendment No. 1 to the Senate Committee Substitute to **HB 860** is as follows:

Amend printed copy of **HB 860** on page 13, line 9, by deleting the word "*may*" and removing the brackets and strikethrough around the word "shall".

Representative List moved that the House concur in the Senate Committee Substitute to **HB 860.** Agreed.

Representative List moved that the House concur in the Senate Amendment No. 1 to the Senate Committee Substitute to **HB 860.** Agreed.

Representative List moved that **HB 860,** by way of Senate Committee Substitute as amended, be passed.

On the roll call the vote was yeas 72-Arnold, Bendl, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Ellington, Endicott, Farrow, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, T. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Mann, McBee, McElroy, McNutt, Moberly, Morris, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Rapier, Reinhardt, Richards, P. Richardson, Riner, B. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Worthington. Nays 4-Bennett, Priddy, Van Horn, Williams.

HB 860, by way of Senate Committee Substitute as amended, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 860,** by way of Senate Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

The Speaker resumed the Chair.

HB 642, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment to **HB 642** is as follows:

Amend printed copy of **HB 642** on page 1, line 1, by deleting "247" and by inserting "217" in lieu thereof;

on page 2, beginning on line 6 and ending on line 8, after "*(6)*" by deleting the following: " "*Commissioner" means the commissioner of Kentucky department of agriculture or his authorized representative.*" and inserting in lieu thereof the following: " "*Secretary" means the secretary for human resources*";

and on line 9, by deleting "247" and inserting in lieu thereof "217";

and on line 13, by deleting the word "*commissioner*" and by inserting in lieu thereof "*secretary*";

and on line 18, by deleting the word "*commissioner*" and by inserting in lieu thereof "*secretary*";

and on page 3, line 2, by deleting the word "*commissioner*" and inserting in lieu thereof "*secretary*";

and on line 6, by deleting the word "*commissioner*" and inserting in lieu thereof "*secretary*";

and on line 8, by deleting the word "*commissioner*" and inserting in lieu thereof "*secretary*";

and on line 11, by deleting the word "*commissioner*" and inserting in lieu thereof "*secretary*";

and on lines 13 and 14 by deleting the word "*commissioner*" and inserting in lieu thereof "*secretary*";

and on line 16, by deleting the word "*commissioner*" and inserting in lieu thereof "*secretary*";

and on line 18, by deleting the word "*commission*" and inserting in lieu thereof "*secretary*";

on page 4, line 1, by deleting the word "*commissioner*" and inserting in lieu thereof "*secretary*";

and on line 8, by deleting the word "*commissioner*" and inserting in lieu thereof "*secretary*";

and on line 26, by deleting the words "*commissioner of agriculture*" and inserting in lieu thereof "*secretary*";

on page 5, line 14, by deleting the word "*commissioner*" and inserting in lieu thereof "*secretary*";

and on line 22, by deleting the word "commission" and inserting in lieu thereof "*secretary*";

and beginning on line 23, and ending on page 8, line 1, by deleting Section 4 in its entirety;

on page 8, beginning on line 2 and ending on line 12, by deleting the following:

"KRS 247.990 is amended to read as follows:

(1) Any person who violates subsection (3) of KRS 247.270 or who diverts the funds or profits of a farm bureau to any purpose except the purposes of the farm bureau shall be guilty of theft and be punished as provided by law.

(2) Any officer who makes a certificate required by subsection (2) of KRS 247.270 or by KRS 247.300 knowing it to be false or incorrect in any particular, shall be fined not more than one hundred dollars ($100)." and inserting in lieu thereof the following:

"A NEW SECTION OF KRS CHAPTER 217 IS CREATED TO READ AS FOLLOWS:"

and on line 13, by deleting "*(3)*" and inserting in lieu thereof "*(1)*".

Representative Crupper moved that the House refuse to concur in the Senate Amendment No. 1 to **HB 642**. Agreed.

HB 677, with Senate Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendments to **HB 677** are as follows:

Amend printed copy of **HB 677** on page 3, line 3, by adding the following:

"Section 2. KRS 223.160 is amended to read as follows:

(1) It is the intent of KRS 223.160 to 223.220 and 223.991 that every operator in responsible charge of a water treatment plant or water distribution system be required to hold a valid and effective certificate of competency issued by the natural resources and environmental protection cabinet in a class equal to or higher than the class of the particular treatment plant or distribution system where he is currently employed in order to protect the public health. Operators other than those in responsible charge of such facilities shall also be eligible to apply for certification.

(2) An operator of a water treatment facility for a school and for a semipublic water supply shall be entitled to a limited certificate of competency for his particular facility provided he has demonstrated that he has the knowledge and experience required to operate properly the particular water treatment facility for which he is responsible. A limited certificate of competency so issued is not transferable to any other water treatment facility, nor is the period of operation under such a limited certificate eligible for consideration toward the experience requirements for a certificate of competency as provided in subsection (1).

Section 3. KRS 224.135 is amended to read as follows:

(1) No person shall have primary responsibility for the operation of any sewage system or portion thereof whether publicly or privately owned unless he has passed an examination prescribed by the natural resources and environmental protection cabinet which shall determine his skill and competency for such operation and has been issued a certificate to that effect by the cabinet.

(2) No person shall authorize or allow any person who does not hold a certificate issued pursuant to subsection (1) of this section to have primary responsibility for the operation of any sewage system or portion thereof.

(3) The cabinet may classify all sewage systems and portions thereof in the manner provided by the rules and regulations of the cabinet with regard to size, type, physical conditions affecting such systems or portions thereof, and the skill, knowledge and experience required for the operation of the system or portion thereof and restrict the application of any certificate issued pursuant to subsection (1) of this section to the operation of a sewage system or portion thereof of a specific class.

(4) *Any person who has primary responsibility for the operation of a sewage system for a school shall be entitled to a limited certificate of competency for his particular system, provided he has demonstrated that he has the knowledge and experience required to operate properly the particular sewage system for which he is responsible. A limited certificate of competency so issued is not transferable to any other sewage system, nor is the period of operation under such a limited certificate eligible for consideration toward the experience requirements for a certificate of competency as provided in subsection (1).*

(5) All applicants for the examination and certification for the operation of any sewage system or portion thereof, whether publicly or privately owned, shall pay a fee of ten dollars ($10.00). The annual certification renewal fee shall be four dollars ($4.00). The fees required under this section shall be payable to the cabinet."

on page 1, by amending the title to read as follows: "AN ACT relating to natural resources."

Representative Johnson moved that the House concur in the Senate Amendment No. 1 to **HB 677**. Agreed.

Representative Johnson moved that the House concur in the Senate Title Amendment to **HB 677**. Rejected.

Representative LeMaster moved that the House refuse to recede from its Amendment to **SB 191**. Agreed.

The Committee on Committees met and appointed the following members to serve on the Conference Committee for **SB 191**: Representatives B. Smith, Dunn and Craddock.

Recess

Representative LeMaster moved that the House recess until 1:00 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to Order.

Recess

Representative LeMaster moved that the House recess until 1:15 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day

HB 177, with Senate Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendments to **HB 177** are as follows:

Amend printed copy of **HB 177** on page 2, line 10, after the word "*beverages.*" by deleting the remaining language in line 10; and by deleting lines 11 and 12 in their entirety.

on page 1, line 3, before the word "Notwithstanding" by inserting the number "*(1)*"; and

on page 2, after line 12, by inserting the following language:

"*(2) The provision of subsection (1) of this section shall not apply to any county containing a city of the first or second class or urban county government or any city located within a county containing a city of the first or second class.*"

on page 1, line 11, after the word "*fee*" by inserting the words "*on alcoholic beverages*";

and on page 2, line 4, after the word "*fee*" by inserting the words "*on alcoholic beverages*";

and on page 2, line 8, after the word "*fee*" by inserting the words "*on alcoholic beverages*".

Representative Blevins moved that the House concur in Senate Amendment No. 1 to **HB 177.** Rejected.

Representative Blevins moved that the House concur in the Senate Amendment No. 3 to **HB 177.** Rejected.

Representative Blevins moved that the House concur in the Senate Amendment No. 4 to **HB 177.** Rejected.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 20, SB 41, SB 45, SB 67, SB 83, SB 107, SB 135, SB 157, SB 159, SB 162, SB 164, SB 165, SB 176, SB 179, SB 180, SB 202, SB 205, SB 208, SB 249, SB 252, SB 267, SB 275, SB 282, SB 288, SB 305, SB 316, SB 372, SB 401, SB 414,** and **SCR 56** had been examined and found correctly enrolled. (Time—1:38 p.m.)

Orders of the Day

HB 495, with Senate Amendment attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendment to **HB 495** is as follows:

Amend printed copy of **HB 495** on page 3, lines 20-21, by deleting same;

on page 6, before "*(1)*" by inserting an opening bracket "[" and by inserting a closing bracket "]" after "*(1)*";

on page 6, lines 18-25, by deleting same;

on page 7, line 3, after "*to*" by inserting "*one (1) year*" and an opening bracket "[" and by inserting a closing bracket "]" after "*days*";

on page 7, line 20, after "*holder*" by inserting a semicolon "*;*" and on lines 21-22, by deleting same; and

on page 10, line 9, by inserting an opening bracket "[" before "*who*"; and

on page 10, line 11, after "*tractor,*" by inserting a closing bracket "]".

Representative LeMaster moved that the House concur in the Senate Amendment No. 1 to **HB 495.** Agreed.

Representative LeMaster moved that **HB 495,** as amended by the Senate, be passed.

On the roll call the vote was yeas 63-Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, L. Clark, P. Clark, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Ellington, Endicott, Farrow, Ford, Freibert, Gedling, Gray, Hancock, Handy, Head, Heleringer, Hines, Holloway, Johnson, Kenton, LeMaster, Lile, List, Long, Lundergan, Mann, McBee, McElroy, McNutt, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Petty, Priddy, Reinhardt, Richards, B. Richardson, P. Richardson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Van Horn, White, Williams. Nays 10-Allen, Cline, Foster, Fryman, Harper, Lefevers, Rattliff, Todd, Turner, Worthington.

HB 495, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 495**, as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 932, with Senate Committee Substitute and Senate Amendment to the Senate Committee Substitute to **HB 932** attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Committee Substitute to **HB 932** is as follows:

HB 932, AN ACT relating to revenue and taxation and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 134.810 is amended to read as follows:

(1) All state, county, school and special taxing district ad valorem taxes shall be due and payable on or before the last day of the month in which registration is required by law for all motor vehicles renewed or transferred.

(2) All state, county, school and special taxing district ad valorem taxes due on motor vehicles shall become delinquent following the end of the month in which registration is required by law.

(3) Any taxes which are paid within thirty (30) days of becoming delinquent shall be subject to a penalty of three percent (3%) on the taxes due. Any taxes which are not paid within thirty (30) days of becoming delinquent shall be subject to a penalty of ten percent (10%) on the taxes due. In addition, interest at an annual rate of fifteen percent (15%) shall accrue on said taxes and penalty from the date of delinquency. The county clerk *may* [~~shall~~] file a lien on any motor vehicle for which taxes have become delinquent on behalf of the state, county, school, and special taxing districts and record such lien on the face of the certificate of title and registration, and also record the lien in the manner in which lis pendens are recorded.

(4) When a motor vehicle has been transferred before registration renewal or before taxes due have been paid, the purchaser shall become liable for the taxes on said motor vehicle.

(5) In the event that an owner obtains a certificate of registration for a motor vehicle valid through the last day of his second birth month following the month and year in which he applied for a certificate of registration, all state, county, school, and special tax district ad valorem tax liabilities arising from the assessment date following initial registration are due and payable on or before the last day of the first birth month following said assessment date or date of transfer, whichever is earlier. Any taxes due under the provisions of this subsection and not paid as set forth above shall be considered delinquent and subject to the same interest and penalties found in subsection (3) of this section.

Section 2. KRS 138.460 is amended to read as follows:

(1) On and after July 1, 1972 a tax levied upon its retail price at the rate of five percent shall be paid on the use in this state of every motor vehicle, except those exempted by KRS 138.470, at the time and in the manner provided in this section. In the case of trucks of gross weight in excess of ten thousand pounds (10,000 lbs.) the tax shall be levied upon ninety percent of the retail price of the vehicle.

(2) The tax shall be collected by the county clerk or other officer with whom the vehicle is required to be registered:

(a) When he collects the registration fee for registering and licensing a motor vehicle the first time it is offered for registration in this state,

(b) Or upon the transfer of ownership of any motor vehicle previously registered in this state.

(3) The tax collected by the county clerk under this section shall be reported and remitted to the department of revenue on forms provided by the department and on such forms as the department may prescribe. The county clerk shall for his services in collecting the tax be entitled to retain an amount equal to three percent (3%) of the tax collected and accounted for.

(4) No county clerk or other officer shall register or issue any license tags to the owner of any motor

vehicle subject to this tax, when the vehicle is then being offered for registration for the first time, or transfer the ownership of any motor vehicle previously registered in this state, unless the owner or his agent pays the tax levied under this section in addition to the transfer, registration and license fees.

(5) When a resident of this state offers a motor vehicle for registration for the first time in this state [~~which was registered in another state that levied a tax substantially identical to the tax levied under this section~~], such person shall be entitled to receive a credit against the tax imposed by this section equal to the amount of *a substantially identical* tax *previously* paid to *another* [~~the other~~] state. [~~No credit shall be given under this subsection for taxes paid in another state if that state does not grant similar credit for substantially identical taxes paid in this state.~~]

(6) No county clerk or other officer shall register or issue any license tags to the owner of any motor vehicle subject to this tax, when the vehicle is then being offered for registration for the first time, unless the seller or his agent delivers to the county clerk or other officer a certified or photostat copy of the manufacturer's price label for passenger cars or a certified or photostat copy of the itemized billing to the customer in the case of all other motor vehicles; and the clerk shall attach the certified or photostat copy to the copy of the certificate of registration and ownership mailed to the department.

(7) Notwithstanding the provisions of KRS 138.450(4), in no case shall the tax be less than five dollars ($5.00) upon first registration of or any transfer of ownership of a motor vehicle in this state, except where such vehicle is exempt from tax under KRS 138.470.

(8) Where a [~~new~~] motor vehicle is sold [~~by a dealer~~] in this state and the [~~original~~] purchaser returns the vehicle for any reason to the *seller* [~~same dealer~~] within sixty (60) days for a [~~new~~] vehicle replacement or a refund of the purchase price, the purchaser shall be entitled to a refund of the amount of usage tax received by the department of revenue as a result of the registration of the returned vehicle. The registration of the returned vehicle shall be cancelled. *If the returned vehicle was either a new vehicle or a used vehicle not previously registered in Kentucky, such* [~~and the~~] vehicle shall be considered to have not been previously registered in Kentucky when resold by the *seller* [~~dealer~~]. *Where a motor vehicle is sold by a dealer in this state the sixty (60) days shall be extended to include the time the purchaser and dealer are involved in formal arbitration or litigation. The sixty (60) days and any extensions thereof shall conclude upon certification by the motor vehicle dealer that the vehicle has been returned and the reason therefor.*

(9) When a manufacturer refunds the retail purchase price or replaces a new motor vehicle for the original purchaser within ninety (90) days because of malfunction or defect, the purchaser shall be entitled to a refund of the amount of motor vehicle usage tax received by the department of revenue as a result of the first registration. No person shall be entitled to a refund unless he shall have filed with the department of revenue an affidavit from the manufacturer identifying the vehicle that was replaced and stating the date of replacement.

Section 3. KRS 141.010 is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Commissioner" means the commissioner of revenue;

(2) "Department" means the department of revenue;

(3) For tax years beginning on or after January 1, *1984* [~~1982~~], except as otherwise provided in this section, "Internal Revenue Code" means the Internal Revenue Code in effect on December 31, *1983* [~~1981~~], including the provisions of the *Subchapter S Revision Act of 1982* [~~Economic Recovery Tax Act of 1981~~] effective on the dates specified in that law, but excluding the provisions of Section 168(f)(8) of the Internal Revenue Code, exclusive of any amendments made subsequent to that date;

(4) "Dependent" means those persons defined as dependents in the Internal Revenue Code;

(5) "Fiduciary" means "fiduciary" as defined in Section 7701(a)(6) of the Internal Revenue Code;

(6) "Fiscal year" means "fiscal year" as defined in Section 7701(a)(24) of the Internal Revenue Code;

(7) "Individual" means a natural person;

(8) For taxable years beginning on or after January 1, 1974, "federal income tax" means the amount of federal income tax actually paid or accrued for the taxable year on taxable income as defined in Section 63 of the Internal Revenue Code, and taxed under the provisions of this chapter, minus any federal tax credits actually utilized by the taxpayer;

(9) "Gross income" in the case of taxpayers other than corporations means "gross income" as defined in Section 61 of the Internal Revenue Code and adjusted as follows:

(a) Exclude income that is exempt from state taxation by the Kentucky Constitution and the Constitution and statutory laws of the United States;

(b) Exclude income from supplemental annuities provided by the railroad retirement act of 1937 as amended and which are subject to federal income tax by Public Law 89-699;

(c) Include interest income derived from obligations of sister states and political subdivisions thereof;

(d) Exclude employe pension contributions picked up as provided for in KRS 61.560, 16.545, 78.610, 161.540, 21.360, 6.505, 67A.320, 67A.510, and 65.155 upon a ruling by the Internal Revenue Service or the federal courts that these contributions shall not be included as gross income until such time as the contributions are distributed or made available to the employe;

(10) "Adjusted gross income" in the case of taxpayers other than corporations means gross income as defined in subsection (9) of this section minus the deductions allowed individuals by Section 62 of the Internal Revenue Code and adjusted as follows, except that deductions shall be limited to amount allocable to income subject to taxation under the provisions of this chapter, and except that nothing in this chapter shall be construed to permit the same item to be deducted more than once:

(a) Include all overpayments of federal income tax refunded or credited to the taxpayer during the taxable year;

(b) Deduct federal income tax;

(11) "Net income" in the case of taxpayers other than corporations means adjusted gross income as defined in subsection (10) of this section minus the standard deduction allowed by KRS 141.081, or, at the option of the taxpayer, minus all the deductions allowed individuals by Chapter 1 of the Internal Revenue Code and by Section 214 of the Internal Revenue Code as it existed on December 31, 1975 except those listed below, except that deductions shall be limited to amounts allocable to income subject to taxation under the provisions of this chapter and that nothing in this chapter shall be construed to permit the same item to be deducted more than once:

(a) Any deduction allowed by the Internal Revenue Code for state taxes measured by gross or net income, except that such taxes paid to foreign countries may be deducted;

(b) Any deduction allowed by the Internal Revenue Code for amounts allowable under KRS 140.090*(1)*(h) in calculating the value of the distributive shares of the estate of a decedent, unless there is filed with the income return a statement that such deduction has not been claimed under KRS 140.090*(1)*(h);

(c) The deduction for personal exemptions allowed under Section 151 of the Internal Revenue Code and any other deductions in lieu thereof;

(12) "Gross income," in the case of corporations, means "gross income" as defined in Section 61 of the Internal Revenue Code and adjusted as follows:

(a) Exclude income that is exempt from state taxation by the Kentucky Constitution and the Constitution and statutory laws of the United States;

(b) Exclude all dividend income received after December 31, 1969;

(c) Include interest income derived from obligations of sister states and political subdivisions thereof;

(d) Exclude fifty percent (50%) of gross income derived from any disposal of coal covered by Section 631(c) of the Internal Revenue Code if the corporation does not claim any deduction for percentage depletion, or for expenditures attributable to the making and administering of the contract under which such disposition occurs or to the preservation of the economic interests retained under such contract;

(e) Include in the gross income of lessors income tax payments made by lessees to lessors under the provisions of Section 110 of the Internal Revenue Code, and exclude such payments from the gross income of lessees;

(f) Include the amount calculated under KRS 141.205;

(g) Ignore the provisions of Section 281 of the Internal Revenue Code in computing gross income;

(13) "Net income," in the case of corporations, means "gross income" as defined in subsection (12) of this section minus all the deductions from gross income allowed corporations by Chapter 1 of the Internal Revenue Code, except the following:

(a) Any deduction for a state tax which is computed, in whole or in part, by reference to gross or net income and which is paid or accrued to any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or to any foreign country or political subdivision thereof;

(b) 1. The total of the deductions allowed under Section 168 of the Internal Revenue Code shall be determined by dividing the total by a factor of one and four-tenths (1.4). The taxpayer's basis in any individual property shall be the same as the basis in such property for federal income tax purposes.

2. Effective for tax years beginning on and after July 1, 1984, the total of the deductions allowed for any tax year under Section 168 of the Internal Revenue Code shall be the total allowed for Kentucky tax purposes.

3. Effective for the tax year beginning on or after July 1, 1984 and for the five (5) successive tax years thereafter, corporations which computed depreciation deductions under the provisions of paragraph (b) 1. of this subsection shall be allowed to deduct from gross income one-sixth (1/6) of the total difference between the amount of depreciation calculated under Section 168 of the Internal Revenue Code and the amount of depreciation determined under the provisions of paragraph (b) 1. of this subsection.

4. The provisions of KRS Chapter 45 notwithstanding, the department of revenue shall compute and transmit to the Governor and the legislative research commission, on or before December 1, 1983, an estimate of corporation income tax revenues which would accrue to the state's general fund for each of the fiscal years 1984-85 and 1985-86 under the following premises:

a. That the provisions of paragraph (b) 2. and (b) 3. of this subsection are in effect for those fiscal years;

b. That the provisions of paragraph (b) 2. of this subsection are repealed effective for tax year beginning on or after July 1, 1984;

c. That the provisions of paragraph (b) 3. of this subsection are repealed effective for tax years beginning on or after July 1, 1984; and

d. That the provisions of paragraphs (b) 2. and (b) 3. of this subsection are repealed effective for tax years beginning on or after July 1, 1984.

(c) The deductions contained in Sections 243, 244, 245, and 247 of the Internal Revenue Code;

(d) The provisions of Section 281 of the Internal Revenue Code shall be ignored in computing net income;

(e) Any deduction directly or indirectly allocable to income which is either exempt from taxation or otherwise not taxed under the provisions of this chapter, and nothing in this chapter shall be construed to permit the same item to be deducted more than once;

(14) (a) "Taxable net income," in the case of corporations having property or payroll only in this state, means "net income" as defined in subsection (13) of this section;

(b) "Taxable net income," in the case of corporations having property or payroll both within and without this state means "net income" as defined in subsection (13) of this section and as allocated and apportioned under KRS 141.120; and

(c) "Property" means either real property or tangible personal property which is either owned or leased. "Payroll" means compensation paid to one or more individuals, as described in KRS 141.120(8)(b). Property and payroll are deemed to be entirely within this state if all other states are prohibited by Public Law 86-272, as it existed on December 31, 1975, from enforcing income tax jurisdiction;

(15) "Person" means "person" as defined in Section 7701(a)(1) of the Internal Revenue Code;

(16) "Taxable year" means the calendar year or fiscal year ending during such calendar year, upon the basis of which net income is computed and in the case of a return made for a fractional part of a year under the provisions of this chapter or under regulations prescribed by the commissioner, "taxable year" means the period for which such return is made;

(17) "Resident" means an individual domiciled within this state or an individual who is not domiciled in this state, but maintains a place of abode in this state and spends in the aggregate more than 183 days of the taxable year in this state;

(18) "Nonresident" means any individual not a resident of this state;

(19) "Employer" means "employer" as defined in Section 3401(d) of the Internal Revenue Code;

(20) "Employe" means "employe" as defined in Section 3401(c) of the Internal Revenue Code;

(21) "Number of withholding exemptions claimed" means the number of withholding exemptions claimed in a withholding exemption certificate in effect under KRS 141.325, except that if no such certificate is in effect, the number of withholding exemptions claimed shall be considered to be zero;

(22) "Wages" means "wages" as defined in Section 3401(a) of the Internal Revenue Code and includes other income subject to withholding as provided in Section 3401(f) and Section 3402(k), (o), (p), and (q) of the Internal Revenue Code;

(23) "Payroll period" means "payroll period" as defined in Section 3401(b) of the Internal Revenue Code;

(24) "Corporations" means "corporations" as defined in Section 7701(a)(3) of the Internal Revenue Code;

(25) *"S Corporation"* [~~"Electing small business corporations"~~] means *an "S corporation"* [~~*"electing small business corporations"*~~] as defined in Section *1361(a)* [~~1371(b)~~] of the Internal Revenue Code. Stockholders of a corporation qualifying after December 31, 1979 as *an "S corporation"* [~~"electing small business corporations"~~] under Chapter 141 may elect to treat such qualification as an initial qualification under Internal Revenue Code Sections *1361*-[~~1371-~~]1378.

Section 4. KRS 141.170 is amended to read as follows:

(1) The department of revenue may grant a taxpayer other than a corporation a reasonable extension of time for filing his income return whenever in its judgment good cause exists, and shall keep a record of every such extension. Except in case of a taxpayer who is abroad, no extension shall be granted for more than six months, and in no case for more than one year.

(2) A corporation may be granted an extension of not more than six (6) months for filing its income return provided it timely requests such extension before the due date of the return and, [~~pays ninety percent (90%) of its liability~~] prior to the granting of an extension, *pays an amount equal to either:*

(a) The tax shown on the return of the corporation for the preceding taxable year, if a return showing a liability for tax was filed by the corporation for the preceding taxable year and such preceding year was a taxable year of twelve (12) months; or

(b) Ninety percent (90%) of its liability for the taxable year. The liability shall be reduced by any estimated tax payments, overpayment(s) from prior year(s) or other prepayments which may be properly claimed as a credit.

(3) If the time for filing a return is deferred, the taxpayer shall pay, as part of the tax, an amount equal to the tax interest rate as defined in KRS 131.010(6) on the tax ultimately assessed, but not previously paid, from the time the return was due until it is actually filed in the office of the department.

Section 5. Whereas, enactment of the Subchapter S Revision Act of 1982 can create major differences between Kentucky and federal qualification for corporate Subchapter S status and in taxation of Subchapter S income to both corporate and individual taxpayers, an emergency is declared to exist and Section 3 of this Act shall become effective upon passage and approval by the Governor.

The Senate Amendments to the Senate Committee Substitute to **HB 932** are as follows:

Amend printed copy of **HB 932** on page 9, after line 22, by inserting the following:

"*(d) The deduction allowed by Section 214 of the Internal Revenue Code as it existed on December 31, 1975, may be claimed as a deduction by the payor of such expenses even though the payor does not claim the individual for whose care the expenses were incurred as a dependent under KRS 141.020 if:*

(i) The payor in fact provided more than fifty percent (50%) of the financial support of said individual in the year for which the deduction is claimed; and

(ii) Said individual resided in the household of the payor for more than six months of the year in which the deduction is claimed; and

(iii) No other taxpayer claims a deduction for said expenses for the year in which the deduction is claimed."

on page 1, line 20, by deleting the word "*may*" and removing the brackets and strikethrough around the word "shall".

Representative LeMaster moved that the House refuse to concur in the Senate Committee Substitute and Senate Amendments to the Senate Committee Substitute to **HB 932**. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 224, HB 523, HB 525, HB 537, HB 769, HB 771, HB 895,** and **HB 937** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 2:35 p.m.)

HB 224, HB 523, HB 525, HB 537, HB 769, HB 771, HB 895, and **HB 937** delivered to the Senate, signed by President, ordered delivered to the Governor.

Senate Message

SB 26 returned with the following message: The Senate has refused to concur in House Amendments to **SB 26** and respectfully returns it with the request that this Honorable Body recede from the Amendments.

HB 334 returned with the following message: The Senate has refused to recede from its Amendments No. 1, 2, 7, and 8 to **HB 334** and is respectfully returning same to this Honorable Body asking for a Conference Committee to be appointed.

HB 376 returned with the following message: The Senate has receded from its Amendment No. 1 to **HB 376** and is respectfully returning same to this Honorable Body for enrollment.

HB 486 returned with the following message: The Senate has receded from its Committee Substitute to **HB 486** and is respectfully returning same to this Honorable Body for enrollment.

HB 515 returned with the following message: The Senate has receded from its Amendment No. 1 and No. 2 to **HB 515** and is respectfully returning same to this Honorable Body for enrollment.

HB 758 returned with the following message: The Senate has refused to recede from its Amendment No. 1 to **HB 758** and is respecfully returning same to this honorable body asking for a Conference

Committee to be appointed.

The Committee on Committees met and the following members were appointed to serve on Conference Committees:

SB 26: Representatives LeMaster, Mann, Moberly.

HB 758: Representatives Burnette, McElroy, Allen.

HB 334: Representatives Clapp, Brinkley, Thomason.

The Speaker announced the first mentioned name on the Conference Committee appointments will serve as chairman unless otherwise noted.

Senate Message

SB 361 returned with the following message: The Senate has concurred in the House Committee Substitute and Floor Amendment No. 8 to **SB 361** and refused to concur in the House Floor Amendment No. 2 and respectfully returns it with the request that this Honorable Body recede from the Amendment.

SB 404 returned with the following message: The Senate has refused to concur in House Amendment No. 1 and 2 to **SB 404** and respectfully returns it with the request that this Honorable Body recede from the Amendments.

Orders of the Day (Continued)

Representative LeMaster moved that the House refuse to recede from its Amendments to **SB 26.** Agreed.

Representative LeMaster moved that the House refuse to recede from its Amendment to **SB 361.** Agreed.

Representative LeMaster moved that the House refuse to recede from its Amendment to **SB 404.** Agreed.

The Committee on Committees met and the following members were appointed to serve on Conference Committees:

SB 361: Representatives Arnold, Morris, Ford.

SB 404: Representatives Hancock, Barrows, T. Jones.

Conference Committee reports were filed on **SB 191** and **SB 56** requesting Free Conference Committees.

Representative O'Brien moved that the Conference Committee Report on **SB 56** requesting a Free Conference be accepted. Agreed.

The Speaker announced the same members who served on the Conference Committee would serve on the Free Conference Committee on **SB 56.**

Representative Dunn moved that the Conference Committee Report on **SB 191** requesting a Free Conference be accepted. Agreed.

The following members were appointed to the Free Conference Committee on **SB 192:** Representatives Dunn, B. Smith, and Johnson.

Senate Message

Conference Committees appointed as follows: **SB 26,** Senators Gibson, Peniston, Middleton; **SB 56,** Senators O'Daniel, Sheehan, Rogers; **SB 92,** Senators Karem, Peniston, Middleton; **SB 191,** Senators Ford, May, Friend; **SB 361,** Senators Ford, Murphy, Stuart; **SB 404,** Senators Rose, Higdon, Trevey; **HB 334,** Senators Ford, Travis, Murphy; **HB 758,** Senators Higdon, Bradley, Peniston.

The Speaker announced the previously appointed Conference Committee members are advised to meet in Senate with counterparts on **SB 404, SB 361, SB 26, HB 758,** and **HB 334.**

Conference Committee reports were filed on **SB 92, SB 404,** and **HB 334** requesting a Free Conference.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 148, SB 152, SB 238, SB 335, SB 379, SB 390,** and **SCR 30** had been examined and found correctly enrolled.

Orders of the Day (Continued)

Representative LeMaster moved that the rules be suspended to introduce and act upon Resolutions. Agreed.

Introduction of Resolutions

HR 166, by Representative Nett: A RESOLUTION to study the effectiveness of the vehicle emissions testing programs.

HR 167, by Representatives Nett and Deskins: A RESOLUTION directing a study to develop policies wiht respect to treatment of waste coal resources in the reclamation of abandoned mine land.

HR 168, by Representative Cyrus: A RESOLUTION designating Soc Clay as a Poet Laureate.

HR 169, by Representative Foster: A RESOLUTION honoring Gerald Scinclair, coach of the state champion Logan County High School basketball team, and newly named coach of the year.

Representative Foster moved the adoption of the following **HR 169:**

HR 169, A RESOLUTION honoring Gerald Sinclair, coach of the state champion Logan County High School basketball team, and newly named coach of the year.

WHEREAS, Gerald Sinclair has devoted 22 years of his life to coaching high school basketball; and

WHEREAS, his career of coaching high school basketball began at Forkland High School, a small school in Boyle County; and

WHEREAS, in the short time he has held his position at Logan County High School he has generated the admirable record of 63 wins to only 9 losses; and

WHEREAS, he has amassed throughout his entire career an astounding record of 304 wins; and

WHEREAS, as a result of voting by 175 of his peers, Coach Gerald Sinclair has been given the honorable title of the Courier-Journal 1984 High School Basketball Coach of the Year;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives offers its sincere congratulations to Gerald Sinclair for the high honor of being chosen by his peers to be the Courier-Journal 1984 High School Basketball Coach of the Year.

Section 2. That this honorable body commends him for the 22 years that he has provided the youth of this state with the skill and strength of character that is gained from athletic competition.

Section 3. That the House of Representatives directs its clerk to send a copy of this resolution to Mr. Sinclair in care of Logan County High School.

HR 169 was adopted by voice vote.

Representative Handy moved that **HR 164** be withdrawn. Agreed.

Representative Overstreet moved that the Conference Committee Report on **SB 92** requesting a Free Conference be accepted. Agreed.

The Speaker announced the same members were appointed to the Free Conference Committee on **SB 92** as previously appointed to the Conference Committee.

Representative Burnette moved that the Conference Committee Report on **HB 758** requesting a Free Conference be accepted. Agreed.

The Speaker announced the same members were appointed to the Free Conference Committee on **HB 758** as previously appointed to the Conference Committee.

Representative LeMaster moved that the Conference Committee Report on **HB 334** requesting a Free Conference be accepted. Agreed.

The Speaker announced the same members were appointed to the Free Conference Committee on **HB 334** as previously appointed to the Conference Committee.

Representative Cyrus moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Cyrus moved the adoption of the following **HR 168:**

HR 168, A RESOLUTION designating Soc Clay as a Poet Laureate.

WHEREAS, Soc Clay, a full-time free lance writer and photographer from South Shore, has received numerous craft awards over a period of years; and

WHEREAS, Soc Clay has served as president of the Southeastern Outdoor Press Association, the Outdoor Writers of America, the Outdoor Writers of Kentucky, and the Outdoor Writers of Ohio; and

WHEREAS, Soc Clay has received various awards from these organizations for his columns and articles;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky.

Section 1. That Soc Clay of South Shore, Kentucky, be designated a Poet Laureate for the Commonwealth of Kentucky.

Section 2. That a copy of this resolution be sent by the clerk to Soc Clay.

HR 168 was adopted by voice vote.

Representative Hancock moved that the Conference Committee Report on **SB 404** requesting a Free Conference be accepted. Agreed.

The Speaker announced the same members were appointed to the Free Conference Committee on **SB 404** as previously appointed to the Conference Committee.

A Free Conference Committee Report was filed on **HB 758.**

Recess

Representative LeMaster moved that the House recess until 6:30 p.m. Agreed.

A Free Conference Committee Report was filed on **SB 361.**

A Free Conference Committee Report was filed on **SB 92.**

At the appointed hour, the Speaker resumed the Chair and called the House to Order.

Orders of the Day

Representative Johnson moved that the rules be suspended for the purpose of recording votes. Agreed.

Representative Johnson moved that he be recorded as voting "yea" on **HB 51**. Agreed.

Representative Farrow moved that he be recorded as abstaining from voting on **SB 290**. Agreed.

Representative Stone moved that he be recorded as voting "yea" on **SB 238**. Agreed.

Representative Ford moved that he be recorded as voting "yea" on **SB 361**. Agreed.

The Speaker announced the following members had been appointed to the Conference Committee on **HB 25**: Representatives Stumbo, Deskins, and Moore.

Senate Message

HB 677 returned with the following message: The Senate has receded from its Title Amendment No. 2 to **HB 677** and is respectfully returning same to this Honorable Body for enrollment.

HB 758 returned with the following message: The Senate has adopted the Free Conference Committee Report on **HB 758** and is notifying this Honorable Body that it has repassed the bill as amended in free conference.

HB 25 returned with the following message: The Senate has refused to recede from its Amendment No. 1 to **HB 25** and is respectfully returning same to this Honorable Body asking for a Conference Committee to be appointed.

HB 298 returned with the following message: The Senate has refused to recede from its Amendment No. 1 to **HB 298** and is respectfully returning same to this Honorable Body asking for a Conference Committee to be appointed.

HB 932 returned with the following message: The Senate has refused to recede from its Committee Substitute and Amendments 2 and 3 to **HB 932** and is respectfully returning same to his Honorable Body asking for a Conference Committee to be appointed.

SB 124 returned with the following message: The Senate has refused to concur in the House Committee Substitute to **SB 124** and House Title Amendment and respectfully returns it with the request that this Honorable Body recede from the Committee Substitute and Amendments.

SB 314 returned with the following message: The Senate has concurred in the House Committee Substitute to **SB 314** and refused to concur in the House Floor Amendment No. 1 and respectfully returns it with the request that this Honorable Body recede from the Amendment.

SB 369 returned with the following message: The Senate has refused to concur in House Floor Amendment No. 1 and Title Amendment to **SB 369** and respectfully returns it with the request that this Honorable Body recede from the Amendments.

The Senate has appointed the following members to serve on Conference Committees: **HB 25,** Senators Bailey, Rose, Huff; **HB 298,** Senators Bailey, Trevey, Karem; **HB 932,** Senators Rose, Stuart, Miller; **SB 124,** Senators Trevey, Higdon, Lackey; **SB 314,** Senators Lackey, Quinlan, Haering; **SB 369,** Senators Ford, Higdon, Ackerson.

Representative LeMaster moved that when the House adjourns, it do so by voice vote. Agreed.

Representative LeMaster moved that when the House adjourns, it do so until 10:00 a.m. on Friday, March 30, 1984. Agreed.

Representative LeMaster moved that no other business be conducted on this day other than receiving Conference Reports and receiving Senate Message. Agreed.

Adjournment

Representative LeMaster moved that the House adjourn.

The motion to adjourn was adopted by voice vote.

FRIDAY, MARCH 30, 1984

FIFTY-EIGHTH LEGISLATIVE DAY

The House was called to order by Speaker Richardson.

Prayer by Reverend Donald Nunnelly, First Christian Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present.

Representative Brinkley moved that the reading of the Journal of March 29, 1984, be dispensed with and the same approved. Agreed.

A Conference Committee Report was filed on **SB 26.**

Report on Enrolled Bills

The Committee on Enrollment reported **HB 51, HB 153, HB 376, HB 486, HB 495, HB 515, HB 749, HB 857, HB 860, HB 888, SB 10, SB 15, SB 19, SB 58, SB 169, SB 236, SB 251, SB 255, SB 287, SB 317,** and **SB 343** had been examined and found correctly enrolled.

HB 51, HB 153, HB 376, HB 486, HB 495, HB 515, HB 749, HB 857, HB 860, and **HB 888** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Orders of the Day

Representative LeMaster moved that the Conference Committee Report on **SB 26** requesting a Free Conference be accepted. Agreed.

The Speaker announced the appointment of the previously appointed members of the Conference Committee to the Free Conference Committee on **SB 26.**

SB 92 taken from orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Overstreet moved the adoption of the Free Conference Committee Report, thereby passage of **SB 92.**

The free conference committee on **SB 92** has met as provided in the rules of the House and the Senate and hereby reports the following to be adopted: on page 1, by deleting Section 1 in its entirety and inserting in lieu thereof the following:

"SECTION 1. A NEW SECTION OF KRS CHAPTER 140 IS CREATED TO READ AS FOLLOWS:

When any person dies testate as to his personal estate, upon application to the district court by the surviving spouse, or, if there is no surviving spouse, by the surviving children, testator's personal property or money on hand or in a bank to the amount of seven thousand five hundred dollars ($7,500) shall be exempt from the provisions of KRS Chapter 140 to the extent of the surviving spouse's or surviving children's inheritable interest in the estate."

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Signed by: Senators Louis Peniston, Clyde Middleton and David Karem. Representatives Fred Cowan, Raymond Overstreet and Herbie Deskins.

The above-named members, in separate votes by house, all concur in the provisions of this report, 5:30 p.m., March 29, 1984.

On the roll call the vote was yeas 87-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Handy, Harper, Head, Hines, Holbrook, Holloway, R. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, Seum, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

SB 92, by way of Free Conference Committee Report, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 92,** by way of Free Conference Committee Report, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 758 taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Burnette moved the adoption of the Free Conference Committee Report, thereby passage of **HB 758.**

The free conference committee on **HB 758** has met as provided in the rules of the House and Senate and hereby reports the following to be adopted:

Amend Senate committee amendment 1, on line 8, by deleting "*three*" and substituting therefor "*one and one-half*"

And on line 9, by deleting "*3,000,000*" and substituting therefor "*1,500,000*"

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Signed by: Senators Fred Bradley, Charles Gregory Higdon and Louis Peniston. Representatives Ward Burnette, Sam McElroy and Woody Allen.

The above-named members, in separate votes by house, all concur in the provisions of this report, March 29, 1984, 4:30 p.m., Room 300, Capitol.

On the roll call the vote was yeas 83-Allen, Arnold, Bennett, Blandford, Blevins, Brinkley, Brown, Bruce, Burch, Burnette, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Handy, Harper, Head, Holloway, Johnson, R. Jones, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 4-Bendl, Caldwell, Clarke, Holbrook.

HB 758, by way of Free Conference Committee Report, was passed and the title agreed to.

Representative LeMaster moved that th vote by which **HB 758,** by way of Free Conference Committee Report, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 107, with Senate Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

The Senate Amendments to **HB 107** are as follows:

Amend printed copy of **HB 107** as follows: on page 4, line 17, after the period by inserting the following: *Such program shall be undertaken in conjunction with the Archives and Records Commission and* *the Department of Libraries and Archives.*

On page 5, line 2, after the period by inserting the following:

(4) Nothing in this Act shall be construed to alter or diminish the provisions of KRS 171.410 to 171.740 or the authority conveyed by these statutes to the Archives and Records Commission and the Department for Libraries and Archives.

Representative Donnermeyer moved that the House concur in Senate Amendment No. 1 to **HB 107.** Agreed.

Representative Donnermeyer moved that the House concur in the Senate Amendment No. 2 to **HB 107.** Agreed.

Representative Donnermeyer moved that **HB 107,** as amended by the Senate, be passed.

On the roll call the vote was yeas 78-Arnold, Bendl, Bennett, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gray, Handy, Harper, Head, Heleringer, Holbrook, Holloway, Johnson, R. Jones, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Worthington, Yates. Nays 2-Gedling, Robinson.

HB 107, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 107,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

Representative Deskins moved the adoption of the Conference Committee Report requesting a Free Conference on **HB 25.** Agreed.

HB 677, as amended by Senate Amendment 1, taken from the Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Johnson moved that **HB 677,** as amended by the Senate and concurred in by the House, be passed.

On the roll call the vote was yeas 56-Arnold, Bendl, Bennett, Blevins, Brinkley, Bronger, Burch, Caldwell, L. Clark, P. Clark, Cowan, Crupper, Cyrus, Dawahare, Donnermeyer, Dunn, Foster, Gedling, Gray, Guenthner, Handy, Harper, Head, Heleringer, Hines, Johnson, Kenton, Kidd, LeMaster, Lile, List, Little, Maggard, Mann, McBee, McElroy, Meyer, Moberly, Noe, O'Brien, Petty, Priddy, Reinhardt, Richards, B. Richardson, P. Richardson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Van Horn, White, Williams, Worthington, Yates. Nays 20-Allen, Brown Bruce, Cline, Curd, Ellington, Endicott, Ford, Fryman, Lefevers, McNutt, Moore, Noland, Patrick, Pearman, Rapier, Rattliff, Robinson, Todd, Turner.

HB 677, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 677,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

Representative Arnold moved that the following Conference Committee Report on **SB 361** be adopted.

Conference Committee Report on **SB 361.** The conference committee recommends the following: The conference committee agreed to recede from House floor amendment number 2 to **SB 361.**

Signed by: Senators Delbert S. Murphy, Ed Ford and Eugene Stuart. Representatives Ramsey Morris, Danny Ford and Adrian Arnold, 5:50 p.m., March 29, 1984.

On the roll call the vote was yeas 55-Arnold, Bendl, Bennett, Blevins, Bruce, Burch, Caldwell, P.

Clark, Clarke, Cowan, Curd, Dawahare, Donnermeyer, Dunn, Endicott, Farrow, Ford, Foster, Freibert, Harper, Hines, Holbrook, Johnson, R. Jones, Kenton, Kidd, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, Meyer, Moore, Morris, Noe, Noland, Patrick, Perkins, Petty, B. Richardson, Robinson, Seum, F. Smith, Stone, Stumbo, Thomas, Van Horn, White, Williams, Yates. Nays 28-Allen, Brinkley, Brown, Burnette, Clapp, L. Clark, Cline, Craddock, Crupper, Cyrus, Ellington, Fryman, Gedling, Gray, Head, Holloway, Lefevers, McNutt, Overstreet, Pearman, Priddy, Rapier, Rattliff, Reinhardt, Richards, Todd, Turner, Worthington.

The Conference Committee Report on **SB 361** was adopted.

Representative Arnold moved that **SB 361,** by way of Conference Committee Report, be passed.

On the roll call the vote was yeas 69-Arnold, Bendl, Bennett, Blevins, Bronger, Bruce, Burch, Burnette, Caldwell, Clapp, P. Clark, Clarke, Cowan, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Harper, Head, Heleringer, Hines, Johnson, R. Jones, Kenton, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, Meyer, Moore, Morris, Noe, Noland, O'Brien, Overstreet, Patrick, Perkins, Petty, Priddy, Rapier, Reinhardt, B. Richardson, P. Richardson, Robinson, Seum, F. Smith, Stone, Stumbo, Thomason, Van Horn, White, Williams, Yates. Nays 21-Allen, Brinkley, Brown, L. Clark, Cline, Craddock, Ellington, Gedling, Gray, Guenthner, Holbrook, Holloway, McNutt, Moberly, Pearman, Rattliff, Richards, Thomas, Todd, Turner, Worthington.

SB 361, by way of Conference Committee Report, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 361,** by way of Conference Committee Report, was passed be reconsidered and said motion be placed on the table.

Senate Message

Announcing Free Conference Committees as follows: **SB 26,** Senators Gibson, Peniston, Middleton; **HB 25,** Senators Bailey, Huff, Rose.

Orders of the Day (continued)

Representative LeMaster moved that the House refuse to recede from its Amendments to **SB 124.** Agreed.

Representative LeMaster moved that the House refuse to recede from its Amendment to **SB 314.** Agreed.

The following Conference Committees were appointed: **HB 932,** Representatives Lundergan, Long, Little, Harper, Head; **HB 298,** Representatives Stumbo, Long, Kenton; **SB 124,** Representatives Noe, Bendl, Freibert; **SB 314,** Representatives Perkins, Richards, Heleringer.

SB 369, with House Amendments attached thereto, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Cyrus moved that the House recede from its Amendments to **SB 369.**

On the roll call the vote was yeas 44-Allen, Barrows, Bendl, Bennett, Brown, Burch, Caldwell, Cowan, Cyrus, Deskins, Dunn, Ellington, Endicott, Ford, Foster, Freibert, Gray, Handy, Harper, Hines, Holbrook, Holloway, R. Jones, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, McElroy, Meyer, Moore, Richards, B. Richardson, Seum, Stone, Stumbo, Todd, Turner, Van Horn, White, Williams. Nays 39-Arnold, Blevins, Brinkley, Bronger, Burnette, Clapp, L. Clark, P. Clark, Cline, Craddock, Crupper, Curd, Dawahare, Donnermeyer, Farrow, Fryman, Gedling, Guenthner, Head, Heleringer, Johnson, Kenton, Mann, McBee, McNutt, Moberly, Noland, Overstreet, Patrick, Pearman, Petty, Rapier, Rattliff, Reinhardt, P. Richardson, Robinson, B. Smith, Worthington, Yates.

The motion that the House recede from its Amendments to **SB 369** was adopted.

Representative LeMaster moved that **SB 369** be passed.

On the roll call the vote was yeas 42-Barrows, Bennett, Brown, Burch, Caldwell, Clarke, Cowan, Cyrus, Deskins, Dunn, Ellington, Endicott, Ford, Foster, Gray, Guenthner, Harper, Hines, Holbrook, Holloway, R. Jones, Kidd, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, McElroy, Meyer, Moore, Priddy, Richards, B. Richardson, Stone, Stumbo, Todd, Turner, Van Horn, White, Williams. Nays 41-Allen, Arnold, Blevins, Brinkley, Bronger, Burnette, Clapp, L. Clark, P. Clarke, Cline, Craddock, Crupper, Curd, Dawahare, Donnermeyer, Farrow, Freibert, Fryman, Hancock, Head, Heleringer, Johnson, T. Jones, Kenton, Lundergan, Mann, McBee, McNutt, Moberly, Noland, Overstreet, Patrick, Pearman, Petty, Rapier, Rattliff, P. Richardson, Robinson, Seum, B. Smith, Worthington.

SB 369 was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 369** was passed be reconsidered and said motion be placed on the table. Agreed.

The Speaker announced **SB 369** was defeated, since it contained an emergency clause.

A Conference Committee Report was filed on **HB 298.**

A Free Conference Committee Report was filed on **HB 367, HB 406,** and **HB 475.**

Recess

Representative LeMaster moved that the House recess until 1:00 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

A Free Conference Committee Report was filed on **HB 334.**

A Conference Committee Report was filed on **HB 932.**

Senate Message

HB 590 returned the following message: The Senate has receded from its Amendment No. 2 to **HB 590** and is respectfully returning same to this Honorable Body for enrollment.

Announcing appointment of the Free Conference Committee members to **HB 298** as follows: Senators Trevey, Bailey, Karem.

Orders of the Day (continued)

Representative LeMaster moved that the rules be suspended for action on Legislative Citations. Agreed.

Representative Arnold moved the adoption of Legislative Citation No. 184. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates you, Mrs. Paula Galbreath, wife of Dr. W. G. Galbreath of Lexington, mother of Kecia Marie Galbreath, daughter of Mr. and Mrs. Elwood Risner of Mt. Sterling, Kentucky, for winning the Mrs. Kentucky America in the Pageant held March 17, 1984 in Louisville, Kentucky. You won this prestigious title from fourteen contestants and will now compete with winners from all 50 states in your bid for Mrs. America. Exemplary of your high level of professionalism is the fact that you graduated with distinction from Morehead State University (where you were crowned Homecoming Queen and outstanding senior student), earned your Master's degree and rank one teaching certificate from the University of Kentucky, and in 1978 received your real estate broker's license. This auspicious body extends our best wishes to you as you represent Kentucky in the Mrs. America Pageant to be held in April in Las Vegas, Nevada.

We applaud you for this fine accomplishment and the honor and pride that you have brought to your family, community and the Commonwealth of Kentucky. (Sponsored by Representative Arnold)

Representative Long moved the adoption of the Conference Committee Report requesting a Free Conference on **HB 298**. Agreed.

The Speaker announced the same members as previously appointed to the Conference Committee to serve on the Free Conference Committee on **HB 298**.

HB 334 taken from orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Clapp moved the adoption of the Free Conference Committee Report, thereby passage of **HB 334**.

The Free Conference Committee Report on **HB 334** is as follows:

The free conference committee on **HB 334**, has met as provided in the rules of the House and Senate and hereby reports the following to be adopted: To delete the Senate amendments not concurred in by the House and to amend the bill as follows: On page 11, lines 4 through 6, to delete the same and to insert in lieu thereof:

"*(2) Fees, except for those exempted in subsections (a) and (i), hereof, to be charged by the administrative body if such fees are authorized by law and are not set by statute:*

(a) State park room rates;

(b) Prices for food in restaurants at state facilities;

(c) Prices for goods at gift shops at state facilities;

(d) Prices for groceries and other items sold at state facilities;

(e) Prices charged for state publications;

(f) Prices charged for rides and amusement activities at state facilities;

(g) Admission fees to athletic and entertainment events at state facilities;

(h) Charges for swimming, skiing, horseback riding, and similar recreational activities at state facilities; and

(i) Charges for boat and equipment rentals for recreational purposes at state facilities."

On page 13, line 11, to delete "*expand*" and to insert in lieu thereof: "*Except as authorized by the Constitution of the United States, the Constitution of Kentucky or a statute, expand*".

On page 13, line 22, to delete "*When*" and to insert in lieu thereof: "*Administrative regulations are presumed to be valid until declared otherwise by a court, but when*".

On page 14, line 8, to delete the same and to insert in lieu thereof: "*beyond the scope of legislative intent or statutory authority;*".

On page 14, between lines 13 and 14, to add the following:

"*(7) It shall be prima facie evidence of compliance with the provisions of this section as to the holding of hearings, statements of consideration, consideration of tiering, local government impact, and fiscal impact to file with the court appropriate citations to the Administrative Register which indicate such compliance.*":

On page 31, to delete lines 20 through 26 to delete the same and to insert in lieu thereof:

"*(1) Each administrative body shall, on or before July 1, 1985, notify the commission of each* *individual administrative regulation filed prior to July 14, 1984, that it desires to have remain in effect and without amendment thereto.*

(2) Such notification shall be done on a form prescribed by the commission and shall contain at least:

(a) The "KAR" number of the administrative regulation; and

(b) The headnote of the administrative regulation; and

(c) Such other information as the commission may require.

(3) The administrative regulation which is the subject of the notification shall be considered as remaining in effect without amendment.

(4) A separate form shall be required for each administrative regulation which it is desired remain in effect.

(5) Any administrative regulation filed prior to July 14, 1984, for which no such notification is filed with the commission on or before July 1, 1985, is repealed.

(6) Any administrative regulation which is filed or amended after July 14, 1984, shall not be subject to the provisions of this Section."

On page 32, lines 1 through 5, to delete the same.

On page 32, between lines 15 and 16, to insert the following:

"*(3) Any grant of authority for an administrative body to promulgate rules or standards is repealed, unless authorized by this act.*

(4) Any grant of authority for an administrative body to promulgate administrative regulations which is in conflict with the provisions of this Act shall be repealed to the extent that it conflicts with the provisions of this Act, regardless of whether the grant of authority is broader than that contained in this Act."

On page 32, line 16, to delete "*(3)*" and to insert "*(5)*".

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Signed by: Senators Delbert Murphy, Joe Lane Travis, Ed Ford and Representatives Lloyd Clapp, William Brinkley and David Thomason.

The above-named members, in separate votes by house, all concur in the provisions of this report, March 30, 1984, 8:30 a.m., Room 307.

On the roll call the vote was yeas 77-Allen, Arnold, Bendl, Bennett, Blevins, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Cline, Cowan, Craddock, Crupper, Curd, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Ford, Foster, Freibert, Gedling, Gray, Handy, Heleringer, Hines, Holbrook, Holloway, R. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Nett, Noland, Overstreet, Pearman, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 0.

HB 334, by way of Free Conference Committee Report, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 334,** by way of Free Conference Committee Report, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 298 taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Long moved the adoption of the Free Conference Committee Report, thereby passage of **HB 298.**

The Free Conference Committee Report on **HB 298** is as follows:

The free conference committee on **HB 298** has met as provided in the rules of the House and Senate and hereby reports the following to be adopted: Change to title to read: "AN ACT relating to health."

On page 3, line 19, after the word "licensed." insert the following: "*Nothing contained in this chapter shall prohibit routine and restorative services performed by personnel employed by hospitals, physicians or licensed health care facilities.*"

On page 14, line 21, add two sections as follows:

"Section 8. KRS 216B.025 is amended to read as follows:

(1) There is hereby created the Kentucky health facilities and health services certificate of need and licensure board consisting of *seventeen (17)* [~~sixteen (16)~~] members, to be appointed by the governor, for the purpose of carrying out the duties prescribed in this chapter. The board shall be appointed as follows: two (2) members from the Kentucky Hospital Association, two (2) members from the Kentucky Medical Association, two (2) members from the Kentucky Association of Health Care Facilities, one (1) member from the Kentucky Nurses Association, *one (1) member from the Kentucky Primary Care Association,* one (1) member from the Kentucky Dental Association, one (1) member from the Kentucky Pharmacists Association, and four (4) members who are consumers with an interest in education, rehabilitation, mental health, home care programs, or ambulatory care services and three (3) members who are consumers not associated with any health facilities or delivery of health services. The aforesaid associations shall nominate three (3) persons for each appointment to be made. The state health planning council shall nominate three (3) persons for each of the consumer positions. The governor shall appoint a chairman from the consumer members of the board. Members of the board shall serve for a term of four (4) years. In the event of a vacancy the person appointed shall serve only for the remaining portion of the vacated term. All members shall serve until such time as their successors are qualified and appointed.

(2) Board members shall receive fifty dollars ($50.00) per day for each day spent in active board duty and shall be reimbursed for allowable expenses for each day spent in active board duty.

(3) No person shall serve as a member of the board if he concurrently is a member of the board of a local health planning agency or a member of the state health planning council.

(4) A majority of the board members shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power of the board. No vacancy in the board shall impair the right of the remaining members to exercise all of the powers of the board.

(5) No member of the board may, in the exercise of any function described in this chapter, vote on any matter before the board respecting any applicant, licensee or holder of a certificate of need with which such member has or, within the twelve (12) months preceding the vote, had any substantial ownership, employment, medical staff, fiduciary, contractual, creditor, or consultative relationship. A member who has or has had such a relationship with the applicant, licensee or holder of a certificate of need involved in a matter before the board shall make a written disclosure of the relationship before any action is taken by the board, and such disclosure shall become part of the record of the proceeding.

SECTION 9. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

The provisions of KRS 311.715 shall not be deemed applicable to health facilities administered or staffed by state universities."

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Signed by: Senators Benny Ray Bailey, David K. Karem, John Trevey. Representatives Marshall Long, Pat Freibert and Gregory Stumbo.

The above-named members, in separate votes by house, all concur in the provisions of this report, March 30, 1984, 11:15 a.m., Room 307.

On the roll call the vote was yeas 72-Allen, Arnold, Bennett, Blevins, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Guenthner, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, Kidd, Layman, Lefevers, LeMaster, Lile, List, Long, Maggard, McBee, McElroy, McNutt, Morris, Nett, Noe, Noland, O'Brien, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Williams, Worthington, Yates. Nays 7-Bendl, Kenton, Mann, Meyer, Moberly, Pearman, Van Horn.

HB 298, by way of Free Conference Committee Report, was passed and the title agreed to.

A Conference Committee Report was filed on **SB 314.**

Representative LeMaster moved that the rules be suspended for action upon Resolutions and Legislative Citations. Agreed.

Representative L. Clark moved the adoption of Legislative Citation No. 168. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the St. Bernard 5th and 6th grade No. 2 basketball team, and your coaches, Norman Wright, Steve Riley and Rob Smith, Champions of the division No. 2 title for Class AA schools of the Catholic School Athletic Associations 5th and 6th grade basketball championship. The exciting 36-35 sudden death win over St. Gabriel school won you this prestigious honor. Your excellent record reflects hard work, school loyalty, competitive spirit and a positive team effort. We extend best wishes to "The Champs" - Mark Askin, Mike Chapman, Chad Hague, Mike Nolty, Eric Voss, Mark Dries, Shawn Freibert, Eric Lambert, Mark Muldoon, Troy Peake, Troy Walsh, Larry Meyer, Mike Tamas and Craig Salin. You have brought great honor and pride to your school, community and the Commonwealth of Kentucky.

This prestigious body salutes you for your high level of performance and wishes you continuous victories. (Sponsored by Representative Clark)

Representative Crupper moved the adoption of the following **HR 159:**

HR 159, A RESOLUTION supporting the concept of the "Panetta" bill sponsored by United States Senator Robert Dole and United States Congressman Leon E. Panetta that more federal farm surplus should be given to those needing it.

WHEREAS, the United States Conference of Mayors and the General Accounting Office have declared that hunger has become "the most prevalent and the most insidious" problem facing the nation's cities and that there is no one who can estimate how many Americans are going hungry; and

WHEREAS, the National Association of Counties has requested federal help in dealing with an expanding human services caseload by seeking extended federal food distribution programs; and

WHEREAS, the federal government's dairy program has led to the government holding in storage approximately 473 million pounds of butter, 1.3 billion pounds of non-fat dry milk and 876 million pounds of cheese which costs taxpayers an estimated one million dollars a day; and

WHEREAS, since 1981, the government has given away about 400 million pounds of cheese and 100 million pounds of butter and powdered milk but, during the same time period, the federal stockpiles of dairy products have increased more than fifty percent;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the concept of the federal "Panetta" bill, which is a bipartisan bill to increase the distribution of surplus government food supplies, is supported by the House of Representatives of the General Assembly of the Commonwealth of Kentucky.

Section 2. That the consensus of the House of Representatives is that surplus dairy products should be distributed as a dietary supplement to those most needy and that the distribution should be carried out through a program similar to the federal food stamp program, wherein qualified recipients shall receive dairy stamps redeemable at a local distribution center.

Section 3. That the federal government also should consider an approach to distributing surplus dairy products in connection with the food stamp program by designating a percentage of the total of the food stamps given to a recipient as dairy stamps which must be used for dairy products.

Section 4. That the Clerk of the House of Representatives of the Commonwealth of Kentucky send a copy of this resolution to members of the Kentucky Congressional delegation, Secretary of the federal Department of Agriculture, Senator Robert Dole and Congressman Leon E. Panetta.

HR 159 was adopted by voice vote.

Representative Nett moved the adoption of the following **HR 166:**

HR 166, A RESOLUTION to study the effectiveness of the vehicle emissions testing program.

WHEREAS, air quality is an important matter to the citizens of this Commonwealth; and

WHEREAS, citizens of Jefferson County are required to pay for both inspections and modifications on their cars, often at considerable cost, to comply with standards imposed by the federal government; and

WHEREAS, a metropolitan area in at least one other state has instituted similar programs and, after a trial period, abandoned such program; and

WHEREAS, there is at present no arrangement for independent monitoring or evaluation of the program to determine its efficiency, effectiveness, or cost to the taxpayer; and

WHEREAS, continuation of the program should be contingent on its ability to reduce pollution in a cost effective way;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission through the Interim Joint Committee on Agriculture and Natural Resources commence a study, independent of the Jefferson County Air Pollution Control Board, to determine the effectiveness of the program in reducing pollution and that the Legislative Research Commission make an analysis of the cost to the citizens and the effect of the modifications on cars over specific time periods.

Section 2. Staff services to be utilized in completing this study are estimated to cost $25,000. These staff services shall be provided from the regular Commission budget and are subject to the limitation and other research responsibilities of the Commission.

Section 3. A report shall be submitted to the Commission no later than July 31, 1985.

HR 166 was adopted by voice vote.

Representative Gray moved the adoption of Legislative Citation Nos. 171 through 175. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Marshall County High School Girls' Basketball Team and your fine coach, Howard Beth, and assistant coach Terri Futrell, Champions of the "Sweet Sixteen" Girls' State Tournament at Eastern Kentucky University, Richmond, Kentucky, March 24, 1984. Earning you the privilege of participating in the State Tournament were your victories in the 4th District and the 1st Regional Tournaments. Your excellent final season record of 34-0 reflects hard work, school loyalty, competitive spirit and a positive team effort. Especially noteworthy is the fact that this is the second time the "Lady Marshals" have captured this prestigious title of "Sweet Sixteen Champs."

This honorable body salutes and applauds you for your demonstration of leadership, sportsmanship and superb athletic abilities as you participated in such an impressive event. You have bestowed great honor and pride on your school, community and the Commonwealth of Kentucky. (Sponsored by Representative Gray)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Howard Beth, coach of the Marshall County High School Girls' Basketball Team, for outstanding leadership that has brought unsurpassed honor and recognition to you and your team. This year captured your second win of the prestigious and coveted title of "Sweet Sixteen Champs", during your four years as head girls' coach at Marshall County. You have been selected as the 1984 Coach of the Year for the 1st Region, as well as Coach of the Year in the State Tournament. Your perfect 34-0 season record is exemplary of your high standard of performance requiring the best at all times.

This honorable body salutes you for your magnanimous contributions toward the development of the future leaders of our Commonwealth and we extend our best wishes for your continued success. (Sponsored by Representative Gray)

The House of Representatives of the Commonwealth of Kentucky hereby congratulates you, Carol Parker, Miss Basketball 1984 and an outstanding Senior basketball player at Marshall County High School, winners of the "Sweet Sixteen" State Tournament. Perseverance, hard work, dedication and school loyalty are most evident and rewarding in helping you qualify as the Most Valuable Player in the State Tournament. Your average of 20 points and 11 rebounds a game is most creditable and impressive. You have brought great pride and inspiration to your school, community and the Commonwealth of Kentucky.

We salute you and wish you much success in your college career as you decide on one of your many scholarship offers. (Sponsored by Representative Gray)

The House of Representatives of the Commonwealth of Kentucky hereby congratulates you, Rona Poe, outstanding Senior Basketball player at Marshall County High School, winners of the "Sweet Sixteen" State Tournament. Perseverance, hard work, dedication and school loyalty are most evidence and rewarding in helping you gain recognition as a member of the All Tournament Team at the State Tournament. Your average of 15 points and 7 rebounds a game is most impressive. You have brought great pride and inspiration to your school, community and the Commonwealth of Kentucky.

We salute you and wish you much success in your future endeavors. (Sponsored by Representative Gray)

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Marshall County High School Cheerleaders and your excellent sponsor, Debbie Jones, 1st Regional Competition Champions in the State of Kentucky. Ms. Jones, your exceptional leadership and high standard of performance requiring the best at all times are most exemplary, productive and rewarding. Your exceptional skills and techniques provide an adequate base for your effective participation companioned by school loyalty and community service. We extend best wishes to you, "Lady Marshals" on your fine display of leadership and enthusiastic school spirit.

This prestigious body salutes you for your high level of performance and wishes you continuous victories. (Sponsored by Representative Gray)

Representative Bennett moved the adoption of Legislative Citation No. 167. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby commends and honors Joseph and LaVerne Wagoner, loving and caring parents of Joann Wilson Wagoner Clemons, Mark Joseph Wagoner and Christopher Joseph Wagoner. God blessed you with these three lovely children and three grandchildren, of which you have willingly and unselfishly given your wise and judicious advice, constant care and concern, and loving support. Your constant self-denial and self-sacrifices to provide for your children and their well being and the patience you exhibited, which was above and beyond the norm, always willing to go the extra mile, always finding the time to listen to the multiple problems children have and very discreetly offering encouraging solutions, have earned you ultimate love and respect from your family. Your marriage has been characterized by love, honesty and mutual respect which has made your family life successful and stable in a time of great social change.

We are very proud of you; your dedication, perseverance and noble example have proven very rewarding. (Sponsored by Representative Bennett)

Representative Williams moved the adoption of Legislative Citations Nos. 176 through 183. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Rev. C. Mackey Daniels, Pastor of the West Chestnut Baptist Church, Louisville, Kentucky, for your steadfast performance and wholehearted devotion to the Black community. As a Jefferson County School Board member, your exemplary record is demonstrated by your effectiveness in informing the Black community on the negative effects of Superintendent Ingwerson's proposed desegregation plan on the Black community. You have been particularly effective and forceful in voicing your opposition and protecting the interest of Black students.

This honorable body highly commends you for your fortitude, dedication and most noteworthy accomplishments. (Sponsored by Representative Williams)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Rev. James E. Miller, Pastor of the Lampton Baptist Church, Louisville, Kentucky, for your fortitude and dedication to the Church. Under your direction, the church was moved from South Hancock Street to its present location on 4th Street. Due to your laudable leadership, the church has grown to become the largest in the Black community; a diverse congregation with "no Big I's and little you's"; the largest and best choirs; and has equal involvement of the young, the elderly and the in-between. You are a fiercely independent, unpretentious and deeply compassionate individual - a true shepherd of the highest order! This year marks the glorious 118th anniversary of the Lampton Baptist Church and your presence is a witness for the most high calling of God's leaders as you encourage and reach out to your church and community.

May God's eternal goodness crown you with lasting health, happiness, and continued success. This prestigious body extends to you and your family our sincere and very best wishes. (Sponsored by Representative Williams)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Rev. W. J. Hodge, Pastor of the 5th Street Baptist Church, Louisville, Kentucky, one of the most vocal and effective civil rights soldiers in the history of the community. Your exemplary record demonstrates great personal sacrifices and constant efforts to serve your community. Your humanitarian and benevolent spirit is admirably reflected in your public service demonstrated through your involvement as the first Black President of the Board of Aldermen, President of Simmons College and former President of the Louisville Branch of the NAACP.

This honorable body highly commends you for your fortitude, dedication and most noteworthy accomplishments in fostering hope, inspiration and dignity among Black people. (Sponsored by Representative Williams)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Rev. Charles Elliott, Pastor of King Solomon Baptist Church, Louisville, Kentucky, for the numerous public services for which you are responsible. Your establishing the "Feed the People Program," which fed thousands of hungry people is exemplary of your benevolent spirit. The radio ministry that you currently participate in helps hundreds of people spiritually and materially. You are always in the forefront on issues that affect the poor and oppressed in the community. Your philanthropic spirit is responsible for King Solomon being one of the largest and most active churches in the community.

This honorable body highly commends you for your fortitude, dedication and most noteworthy accomplishments. You are truly a man of God and a good shepherd! (Sponsored by Representative Williams)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, John Johnson, for your steadfast performance and wholehearted devotion to the Black Community of Kentucky. Your unlimited hours of service rendered by untiring efforts to serve the NAACP is evidenced by your serving as President of the State Conference of Branches, on the National Board, and as Vice President of the National NAACP. Your contribution to the Association is most admirable and your leadership and influence is far reaching and most creditable.

This honorable body salutes you for your fortitude and dedication to the NAACP. (Sponsored by Representative Williams)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Rev. W. D. Cockerham, Pastor of the Zion Baptist Church, Louisville, Kentucky, for your effective and forceful opposition to Superintendent Ingwerson's proposed plan to desegregate the Jefferson County School System. Serving as President of the NAACP Ministerial Coalition is exemplary of your benevolent and philanthropic spirit. Your participation as a panelist on THE MORAL SIDE OF THE NEWS helps hundreds of people spiritually and materially.

This honorable body highly commends you for your fortitude, dedication and most noteworthy accomplishments. (Sponsored by Representative Williams)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Rev. Tecumseh X. Graham, Pastor of the Broadway Temple A.M.E. Zion Church, Louisville, Kentucky, for your steadfast performance and wholehearted devotion to the Black community and the Church. Your numerous Honorary degrees are exemplary of the ultimate respect that you deserve. As past President of

Interdenominational Ministerial Coalition of the NAACP and a past member of the Jefferson County Human Relations Commission, your philanthropic spirit has been especially appreciated. Your membership on the Board of Directors of the NAACP and the Board of Schools and Colleges of the A.M.E. Zion Denomination is evidence of your leadership and influence.

This honorable body highly commends you for your fortitude, dedication and most noteworthy accomplishments. (Sponsored by Representative Williams)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Rev. A. Russell Awkard, Pastor of the New Zion Baptist Church, for the numerous church ministries and missionary projects that you have initiated. Your exemplary record demonstrates great personal sacrifices as you have served on numerous Boards concerned with the church. You are a former President of the Louisville Baptist Ministers Conference and a former member of the Kentucky Baptist State Mission Board, a member of the Executive Board of Central District Association, a member of the Board of Directors of More House School Religion, a member of the Board of Directors for MVCC, a member of Council on Peace Making and Religion, as well as the Regional Vice President of the Lott Carey Foreign Mission Convention. As a life member of the NAACP your contributions are most admirable. Most impressive is the fact that you were a guest preacher in the Republic of South Africa and Swaziland for the National Baptist Convention of South Africa in 1983.

This honorable body highly commends you for your fortitude, dedication and most noteworthy accomplishments. (Sponsored by Representative Williams)

Representative Blevins moved the adoption of Legislative Citations Nos. 169 and 170. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Susan Smallwood, a Frenchburg, Kentucky, winner of the Woodmen of the World Insurance Company's contest for the composure of a pledge to the Kentucky State Flag. This well constructed pledge is an honor to our Commonwealth and we appreciate your patriotism.

> I pledge allegiance to the flag of the Commonwealth of Kentucky, standing high, and flowing free, standing for justice and liberty, united we stand, divided we fall, gives us justice, peace and freedom for all.

This prestigious body salutes you for your dedication and devotion to the Commonwealth of Kentucky. (Sponsored by Representative Walter Blevins, Jr.)

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Rowan County Girls' Basketball Team, your fine coach, Claudie Hicks, assistant coaches, Dennis Stafford and Tammy Collins, and player coordinator, Terri Reynolds, for your outstanding 1983-84 season. Earning you the privilege of participating in the "Sweet Sixteen" State Tournament were your victories in the 61st District and the 16th Regional Tournaments. Especially noteworthy is that you were also the Eastern Kentucky Conference Champions. Your excellent season record of 21-7 reflects a demonstration of dedication, hard work, school spirit and personal sacrifice. We applaud you, Lady Vikings, for an outstanding season which merits you statewide recognition. Your exceptionally high standard of performance requiring the best at all times is most exemplary, productive, and rewarding.

This prestigious body applauds you for your fine accomplishments and the honor and pride you have bestowed on your school, community and the Commonwealth of Kentucky. (Sponsored by Representative Walter Blevins, Jr.)

Representative Priddy moved the adoption of the following **HR 163**:

HR 163, A RESOLUTION commending the University of Louisville for public service in the field of public law.

WHEREAS, the most important business in the Commonwealth of Kentucky is the people's business conducted by the General Assembly meeting in open and regular session;

WHEREAS, included in the people's business is an unlimited range of subject matters with which the General Assembly must deal on a limited schedule;

WHEREAS, the actions of the General Assembly affect all citizens of the Commonwealth in a general way, and affect some of these citizens in ways that are of social, political and legal significance;

WHEREAS, these circumstances create a major public communication need partially met by official publications and the media, but in need of supplementation by other means that emphasize the general welfare significance of legislation in a regular and consistent manner at a low cost;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the University of Louisville be commended for continued public service publication of the legislative newsletter, IN THE HOPPER, on an improved schedule that now covers the interim between sessions as well as sessions.

Section 2. That these commendations also be extended to the new College of Urban and Public Affairs, now in its inaugural year of public seminars, conferences, special events and programs, including the legislative newsletter; and to the School of Law, the Graduate School and the Office of University Relations for their support of IN THE HOPPER.

Section 3. That the University of Louisville Government Law Center be especially commended during this 1983-84 academic year, the Center's Twentieth Anniversary year, for now more than two decades of research and service in the public affairs of the Commonwealth of Kentucky.

HR 163 was adopted by voice vote.

Representative Mann moved the adoption of Legislative Citations No. 165 and 166. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby recognizes with profound appreciation the laudable contributions to Vocational Education of Mr. James D. Patton of Northern, Kentucky, who passed away on June 17, 1977, after many years of providing tireless dedication and leadership in the furtherance and betterment of Vocational Education, both at Regional and Statewide levels. Not only were his efforts confined to Vocational Education, but he was a leader in the development of post-secondary education in Northern Kentucky and these efforts helped to establish an initial and ongoing effort between Vocational and Higher Education. While serving as Regional Director, he was instrumental in identifying the need for additional Vocational facilities and then working continually until these facilities were obtained. In addition, Mr. Patton instilled a sense of purpose and pride in the personnel who were, and are, associated with Vocational Education in the Northern Kentucky Region. During his seven year tenure as Regional Director of Vocational Education for the Northern Vocational Region, he instituted the fundamental concept of Competency Based Vocational Education in the Region to better meet the actual needs of students.

Mr. Pattons's contribution to Vocational Educational will serve as a lasting tribute to his memory as the James D. Patton Vocational School in Kenton County, Kentucky, will be named in his honor on April 1, 1984. This prestigious body hereby concurs in and salutes this tribute. (Sponsored by Representative Mann)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Ralph Mussman, for your laudable years of service to Newport, Kentucky. On March 30, 1984, you will retire after eight years as the City Manager. You have also served your constituents as Mayor of Newport, a teacher and principal in the Newport School System, a member of the Newport Housing Authority Board and as the Director of Recreation. As the City Manager, your exemplary record demonstrates great personal sacrifices and constant efforts to maintain and improve Newport. You helped oversee, with the aid of the City Commission, the moral "cleaning up" of the City, which effected the beginning of an industrial and commercial rejuvenation. Your leadership guided the City Administration through difficult times and helped engineer the Commercial development of the riverfront. You have shared generously of your knowledge, time, resources and experiences for which we are sincerely grateful.

This honorable body salutes you, "Mr. Newport, " for your dedication and contributions to the welfare of others and applauds you for the great distinction that you have brought to your community and the Commonwealth of Kentucky. (Sponsored by Representative Mann)

Representative Reinhardt moved the adoption of Legislative Citations 151 and 185. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates Highlands High School Girls' Basketball Team, your fine coach, Don Dobson, and assistant coach, Luci Cecil, championship winners of the 36th District and 9th Regional Tournaments. We are proud that your achievement granted you the coveted privilege of entering the Girls' "Sweet Sixteen" at Eastern Kentucky

University, Richmond, Kentucky, March 21-24, 1984. Your season record of 25-8 reflects the master plan of connecting on a winning combination comprised of balance and ability. We commend you, Bluebirds, for an outstanding season which qualified you for state competition. This body applauds you for your fine accomplishments and the honor and pride you have bestowed on your school, community and the Commonwealth of Kentucky. (Sponsored by Representative Reinhardt)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Lila Dicken, for your excellent contribution of notable years of service as a teacher in the Campbell County School System. Your concern for building and stressing the basic foundation of an education was the primary reason for your transferring to the Elementary level after seven years at the high schools. Your high level of professionalism and devotion to education has earned you the dedication and love of your fellow teachers and students. Helping to organize the Delta Kappa Epsilon Sorority, an Honorary Society for Outstanding Teachers in Northern Kentucky, is exemplary of your exceptional leadership. Your thirty year contribution to education is most admirable as you have shared generously of your knowledge, time, resources and experiences for which inspired the lives of thousands of young people.

This prestigious body highly salutes you for your continuing dedication and contribution to the Campbell County School System and applauds you for the great distinction you have brought to your community and the Commonwealth of Kentucky. We extend best wishes of health and happiness to you and your family as you begin your retirement. (Sponsored by Representative Reinhardt)

Representative LeMaster moved that the Conference Committee Report on **HB 932** requesting a Free Conference be accepted. Agreed.

The Speaker announced the appointment of the previously appointed members of the Conference Committee to the Free Conference Committee on **HB 932.**

HB 590, as amended by Senate Amendment No. 1, taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Donnermeyer moved that **HB 590** as amended by the Senate and concurred in by the House, be passed.

On the roll call the vote was yeas 42-Arnold, Bennett, Bronger, Bruce, Burch, L. Clark, P. Clark, Clarke, Cowan, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Foster, Gray, Guenthner, Hines, Holbrook, Holloway, Johnson, T. Jones, Kidd, LeMaster, Lile, Mann, McBee, McElroy, Meyer, Petty, Priddy, Reinhardt, Richards, B. Richardson, Riner, B. Smith, F. Smith, Stone, Stumbo, Thomas, Van Horn, Williams. Nays 29-Allen, Brown, Caldwell, Cline, Craddock, Crupper, Ellington, Endicott, Farrow, Ford, Fryman, Gedling, Heleringer, Layman, Lefevers, Maggard, McNutt, Moore, Noland, Overstreet, Pearman, Rapier, Rattliff, P. Richardson, Robinson, Seum, Todd, Turner, White.

HB 590, as amended by the Senate, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 590,** as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

Recess

Representative LeMaster moved that the House recess until 3:00 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

The following reports were filed: Conference Committee Report on **SB 124,** Minority Free Conference Committee Report on **HB 25,** Majority Free Conference Committee Report on **HB 25,** Minority Free Conference Committee Report on **SB 26,** Majority Free Conference Committee Report on **SB 26.**

Senate Message

Message in regard to **HB 334:** The Senate has adopted the Free Conference Committee Report on **HB 334** and is notifying this Honorable Body that it has repassed the bill as amended in free conference.

HB 642 returned with the following message: The Senate has refused to recede from its Amendment No. 1 to **HB 642** and is respectfully returning same to this Honorable Body asking for a Conference Committee to be appointed.

Announcing Free Conference Committee members as follows: **HB 932,** Senators Rose, Stuart, Garrett, Miller, O'Daniel.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 107, HB 677, HB 758, SB 9, SB 294,** and **SB 380** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time-3:37 p.m.)

HB 107, HB 677, and **HB 758** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Representative Long moved that the vote by which **HB 298,** by way of Free Conference Committee Report, was passed be reconsidered.

On the roll call the vote was yeas 62-Allen, Arnold, Bennett, Bronger, Brown, Burch, Caldwell, Clapp, L. Clark, P. Clark, Cline, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Freibert, Fryman, Gedling, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Holbrook, Holloway, Johnson, Layman, Lefevers, Lile, Little, McElroy, McNutt, Meyer, Nett, Noland, O'Brien, Patrick, Pearman, Priddy, Rapier, Rattliff, Reinhardt, Richards, P. Richardson, Riner, Robinson, Seum, Thomas, Todd, Turner, Van Horn, White, Worthington, Yates. Nays 27-Barrows, Bendl, Blevins, Brinkley, Clarke, Cowan, Deskins, Foster, Gray, Hines, R. Jones, T. Jones, Kidd, List, Long, McBee, Moberly, Morris, Noe, Overstreet, Perkins, Petty, B. Richardson, Stone, Stumbo, Thomason, Williams.

The motion that the vote by which **HB 298,by** way of Free Conference Committee Report, was passed be reconsidered was adopted.

Representative LeMaster moved that **HB 298** be placed in Orders of the Day. Agreed.

HB 367 taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Clarke moved the adoption of the Free Conference Committee Report, thereby passage of **HB 367.**

The Free Conference Committee Report on **HB 367** is as follows:

The free conference committee on **HB 367** has met as provided in the rules of the House and Senate and hereby reports the following to be adopted:

The General Assembly copy of Senate Committee Substitute for **HB 367,** amended as follows:

Title: AN ACT relating to revenue and taxation and declaring an emergency.

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Signed by: Senators Charles Berger, Benny Ray Bailey, Joe Wright, Pat McCuiston, Arthur Schmidt. Representatives Joe Clarke, Robert Jones, Carl Nett, William Donnermeyer, Albert Robinson.

The above-named members, in separate votes by House, all concur in the provisions of this report, March 30, 1984, 9:30 a.m., Room 316.

On the roll call the vote was yeas 60-Arnold, Bennett, Brinkley, Bronger, Burch, Caldwell, Clapp, L. Clark, Cowan, Cyrus, Dawahare, Donnermeyer, Dunn, Foster, Freibert, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Heleringer, Holbrook, Holloway, Johnson, R. Jones, Kidd, Lefevers, LeMaster, Lile, List, Little, Maggard, McBee, McElroy, Moberly, Moore, Morris, Nett, O'Brien, Overstreet, Petty, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, Robinson, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 30-Allen, Barrows, Bendl, Blevins, Brown, Bruce, Burnette, P. Clark, Clarke, Cline, Craddock, Curd, Crupper, Ellington, Endicott, Farrow, Ford, Head, Hines, T. Jones, Layman, Mann, McNutt, Meyer, Noe, Noland, Patrick, Pearman, Priddy, F. Smith.

HB 367, by way of Free Conference Committee Report, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 367**, by way of Free Conference Committee Report, was passed be reconsidered and said motion be placed on the table. Agreed.

Representative LeMaster moved that **HB 298** be referred to a Second Free Conference Committee. Agreed.

The Speaker announced the members would consist of those previously appointed to the Free Conference Committee on **HB 298.**

HB 406 taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Clarke moved the adoption of the Free Conference Committee Report, thereby passage of **HB 406.**

The Free Conference Committee Report on **HB 406** is as follows:

The free conference committee on **HB 406** has met as provided in the rules of the House and Senate and hereby reports the following to be adopted:

The General Assembly copy of **HB 406,** amended as follows:

Page, 2, line 1, by deleting the amount "$51,272,500" and inserting in lieu thereof the amount: "$50,719,500"; and by deleting the amount "$54,147,600" and inserting in lieu thereof the amount: "$53,711,900";

Lines 10-16, by deleting lines 10-16 in their entirety and inserting in lieu thereof the following: "There is included in the above appropriations $227,400 in fiscal year 1984-85 and $689,000 in fiscal year 1985-86 for a two percent (2%) salary increase in fiscal year 1984-85 and a three percent (3%) salary increase in fiscal year 1985-86 for the justices and judges of the court. Also included are funds for a two percent (2%) salary increase in 1984-85 and a three percent (3%) salary increase in fiscal year 1985-86 for circuit clerks and non elected personnel.";

Line 25, by deleting the amount "$59,008,100" and inserting in lieu thereof the amount: "$58,455,100"; and by deleting the amount "$62,356,500" and inserting in lieu thereof the amount: "$61,920,800";

Page 3, line 7, by deleting the amount "$2,286,900" and inserting in lieu thereof the amount: "$2,284,800"; and by deleting the amount "$2,299,600" and inserting in lieu thereof the amount: "$2,297,300";

Line 8, by deleting the amount "$61,295,000" and inserting in lieu thereof the amount: "$60,739,900"; and by deleting the amount "$64,656,100" and inserting in lieu thereof the amount: "$64,218,100";

Page 3, line 18, by deleting the date, "1985", and inserting in lieu thereof the date: "1984"; and by deleting the date, "1986", and inserting in lieu thereof the date: "1985";

Page 4, line 19, by deleting the date, "1985", and inserting in lieu thereof the date: "1984"; and by deleting the date, "1986", and inserting in lieu thereof the date: "1985";

Page 5, line 16, after the word "insufficient" by inserting the word: "unrestricted";

Line 17, after the word "account" by inserting the words: "or in the budget reserve trust fund";

Line 23, by deleting the amount "$1,532,400" and inserting in lieu thereof the amount "$1,518,500"; and by deleting the amount "$1,616,400" and inserting in lieu thereof the amount: "$1,605,500";

Page 6, line 2, by deleting the amount "$1,532,400" and inserting in lieu thereof the amount: "$1,518,500"; and by deleting the amount "$1,616,400" and inserting in lieu thereof the amount: "$1,605,500";

Line 26, by deleting the words, "appropriate work papers", and inserting in lieu thereof the words: "the budget memorandum";

Page 7, after line 9, by adding the following:

"PART VI

FUND TRANSFER

1. It is the finding of the General Assembly of the Commonwealth of Kentucky that the financial condition of state government requires the following action.

2. There is hereby transferred from the judicial form retirement system established under the provisions of KRS 21.347, to the general fund $2,800 in fiscal year 1984-85 and $2,800 in fiscal year 1985-86."

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Signed by: Senators Arthur Schmidt, Pat McCuiston, Benny Ray Bailey, Joe Wright, Charles Berger. Representatives Joe Clarke, Robert Jones, Carl Nett, William Donnermeyer, Albert Robinson.

The above-named members, in separate votes by house, all concur in the provisions of this report, March 30, 1984, 9:30 a.m., Room 316.

On the roll call the vote was yeas 71-Arnold, Barrows, Bendl, Bennett, Brinkley, Brown, Bruce, Burch, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, List, Long, Maggard, McBee, McElroy, McNutt, Moberly, Nett, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rattliff, B. Richardson, Robinson, Seum, Stone, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates, Nays 20-Allen, Blevins, Burnette, Craddock, Ellington, Endicott, Hancock, T. Jones, Lile, Mann, Meyer, Noe, Noland, Patrick, Rapier, Reinhardt, Richards, P. Richardson, B. Smith, F. Smith.

HB 406, by way of Free Conference Committee Report, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 406,** by way of Free Conference Committee Report, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 475 taken from the Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Clarke requested the following excerpt from the Free Conference Committee Report on **HB 475** be spread upon the Journal: "There is hereby transferred from the legislative retirement fund established under the provisions of KRS 21.560 to the general fund $800 in the fiscal year 1984-85 and $800 in the fiscal year 1985-86."

By request of Representative Kidd the allocation of the $800 is for administrative costs.

HB 475 taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Clarke moved the adoption of the Free Conference Committee Report, thereby passage of **HB 475**.

The free conference committee on **HB 475** has met as provided in the rules of the House and Senate and hereby reports the following to be adopted:

The General Assembly copy of **HB 475**, amended as follows:

Page 1, line 16, by deleting the amount "$9,113,200" and inserting in lieu thereof the amount: "$9,138,200"; and by deleting the amount "$9,740,200" and inserting in lieu thereof the amount: "$9,680,200";

Page 2, line 1, by deleting the amount "$12,791,200" and inserting in lieu thereof the amount: "$12,816,200"; and by deleting the amount "$16,004,200" and inserting in lieu thereof the amount: "$15,944,200";

Line 18, by deleting the words, "and June 30, 1986"; and after the word "1984" by inserting the word: "and";

Page 4, line 25, by deleting the amount "$319,800" and inserting in lieu thereof the amount: "$320,400"; and by deleting the amount "$400,100" and inserting in lieu thereof the amount: "$398,600";

Line 26, by deleting the amount "$319,800" and inserting in lieu thereof the amount: "$320,400"; and by deleting the amount "$400,100" and inserting in lieu thereof the amount: "$398,600";

Page 6, after line 8, by adding the following:

"PART VII

FUND TRANSFER

1. It is the finding of the General Assembly of the Commonwealth of Kentucky that the financial condition of state government requires the following action.

2. There is hereby transferred from the legislative retirement fund established under the provisions of KRS 21.560 to the general fund $800 in fiscal year 1984-85 and $800 in fiscal year 1985-86."; and

"PART VIII

LEGISLATIVE COMPENSATION

1. It is the finding of the General Assembly of the Commonwealth of Kentucky that the financial condition of state government requires the following action.

2. Notwithstanding the provisions of KRS 7.090 and 7.110, the compensation for members of the General Assembly for attending interim joint committee or other legislative research commission subcommittee meetings shall be $75 per day."

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Signed by: Senators Arthur Schmidt, Pat McCuiston, Joe Wright, Benny Ray Bailey, Charles Berger. Representatives Joe Clarke, Robert Jones, William Donnermeyer, Carl Nett, Albert Robinson.

The above-named members, in separate votes by house, all concur in the provisions of this report, March 30, 1984, 9:30 a.m., Room 316.

On the roll call the vote was yeas 93-Allen, Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 2-T. Jones, P. Richardson.

HB 475, by way of Free Conference Committee Report, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 475**, by way of Free Conference Committee Report, was passed be reconsidered and said motion be placed on the table. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 153**, **SB 163**, and **SB 197** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time-4:12 p.m.)

Orders of the Day (continued)

Representative P. Clark moved that the vote by which **SB 369** was defeated be reconsidered.

On the roll call the vote was yeas 40-Bendl, Bennett, Burch, Caldwell, L. Clark, P. Clark, Craddock, Cyrus, Deskins, Dunn, Ellington, Ford, Foster, Freibert, Gray, Guenthner, Handy Harper, Hines, Holbrook, Holloway, R. Jones, Kidd, Lefevers, LeMaster, Lile, List, McElroy, McNutt, Meyer, O'Brien, Patrick, Priddy, B. Richardson, Stone, Todd, Turner, Van Horn, Williams, Yates. Nays 32-Barrows, Blevins, Bronger, Burnette, Crupper, Curd, Dawahare, Donnermeyer, Endicott, Fryman, Gedling, Hancock, Head, Heleringer, Johnson, T. Jones, Kenton, Layman, Mann, McBee, Moberly, Nett, Overstreet, Pearman, Petty, Rapier, Rattliff, Riner, Robinson, Seum, White, Worthington.

The motion that the vote by which **SB 369** was defeated be reconsidered was adopted.

Representative P. Clark moved that **SB 369** be placed in Orders of the Day. Agreed.

SB 369 taken from orders of the Day. Representative LeMaster moved that it be placed upon its passage.

Representative List moved that **SB 369** be passed.

On the roll call the vote was yeas 48-Bendl, Bennett, Brown, Bruce, Caldwell, P. Clark, Clarke, Craddock, Cyrus, Deskins, Dunn, Ellington, Endicott, Ford, Foster, Freibert, Gedling, Gray, Guenthner, Holbrook, Holloway, R. Jones, Lefevers, LeMaster, Lile, List, Little, Long, Maggard, McElroy, McNutt, Meyer, Moore, Noe, Noland, O'Brien, Pearman, Priddy, Reinhardt, B. Richardson, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, Williams, Yates. Nays 42-Allen, Arnold, Barrows, Blandford, Blevins, Brinkley, Bronger, Burch, Burnette, L. Clark, Cline, Cowan Crupper, Curd, Dawahare, Donnermeyer, Farrow, Fryman, Hancock, Handy, Harper, Head, Heleringer, Hines, Johnson, Kenton, Layman, Mann, McBee, Moberly, Morris, Nett, Overstreet, Patrick, Petty, Rapier, Rattliff, Richards, Riner, Robinson, Thomason, Worthington.

SB 369 was defeated.

SB 314 taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Richards moved the adoption of the Conference Committee Report, thereby passage of **SB 314**.

The Conference Committee Report on **SB 314** is as follows:

The conference committee recommends the following: that the Floor Amendment 1 to the HCS for **SB 314** be adopted.

Signed by: Senators Henry G. Lackey, W. L. Quinlan, Harold Haering. Representatives Carl C. Perkins, Jody Richards and Bob Heleringer. 12:45 p.m., March 30, 1984.

On the roll call the vote was yeas 74-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley Bronger, Brown, Bruce, Burch, Burnette, Caldwell, L. Clark, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Ford, Foster, Gedling, Hancock, Handy, Harper, Head, Heleringer, Hines, Holloway, Kidd, Layman, LeMaster, Lile, List, Little, Maggard, McBee, McElroy, McNutt, Meyer, Moore, Morris, Nett, Noe, Noland, O'Brien, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams, Worthington, Yates. Nays 10-Allen, P. Clark, Farrow, Fryman, Gray, T. Jones, Lefevers, Mann, Overstreet, Todd.

SB 314, by way of Conference Committee Report, was passed and the title agreed to.

A Free Conference Committee Report was filed on **SB 191.**

Representative LeMaster moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 171, by Representative Ford: A RESOLUTION requesting the Department of State and Kentucky's Congressional delegation to assist in securing the release of Ronald Eldon Wyatt, Ronald Wyatt, Jr., and Daniel Wyatt from prison in Saudi Arabia.

Representative Ford moved the adoption of the following **HR 171:**

HR 171, A RESOLUTION requesting the Department of State and Kentucky's Congressional delegation to assist in securing the release of Ronald Eldon Wyatt, Ronald Wyatt, Jr., and Daniel Wyatt from prison in Saudi Arabia.

WHEREAS, Ronald Eldon Wyatt and his two sons Ronald, Jr. and Daniel were engaged in the peaceful pursuits of archaeology and deep sea diving searching for religious artifacts; and

WHEREAS, the Wyatt's were peacefully engaging in archaeological pursuits and photography in Jordan and had visas for Jordan; and

WHEREAS,the Wyatt's inadvertantly strayed into the territory of Saudi Arabia with their cameras and archaeological equipment; and

WHEREAS, the Wyatt's were arrested and imprisoned by the Saudi Arabian government as spies; and

WHEREAS, the Wyatt's have been imprisoned since early February, 1984; and

WHEREAS, the Wyatt's are upstanding citizens in their local community, the elder Wyatt being an anesthesiologist at the local hospital, and are clearly not engaged in espionage;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives does hereby urge the President of the United States, the Secretary of State, and each member of the Kentucky delegation in the Congress of the United States to utilize the full power of their respective offices to secure the release of these citizens of the United States from captivity in Saudi Arabia.

Section 2. That the Clerk of the House is directed to send copies of this resolution to the President of the United States, the Secretary of State of the United States, the Embassy of Saudi Arabia, the Associated Press Wire Service, the United Press International Wire Service, the Kentucky Network, and each member of Kentucky's delegation to the Congress of the United States.

HR 171 was adopted by voice vote.

Representative Hancock moved that the rules be suspended to record votes. Agreed.

Representative Hancock requested that he be recorded as voting as follows: **HB 298,** "nay"; **HB 590,** "yea"; **HB 334,** "yea"; **HB 758,** "yea"; **HB 677,** "yea"; **HB 107,** "yea"; **SB 92,** "yea".

Representative Dawahare moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 170, by Representative Dawahare: A RESOLUTION honoring Bridgette Combs of Letcher County.

Representative Dawahare moved the adoption of the following **HR 170:**

HR 170, A RESOLUTION honoring Bridgette Combs of Letcher County.
WHEREAS, Bridgette Combs is from a small community in Letcher County and is currently a junior at Whitesburg High School; and
WHEREAS, Bridgette Combs consistently achieves academic excellence; and
WHEREAS, Bridgette Combs is a budding young athlete who has twice been named "All State Basketball Player";
NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House praises Miss Bridgette Combs for her scholastic and athletic achievements.

Section 2. That the House commends Bridgette upon being named "All State Basketball Player" for the second time.
Section 3. That this honorable body hails Bridgette Combs to be an outstanding citizen, superlative athlete, and exemplary representative of the Commonwealth.
Section 4. That the Clerk of the House is directed to transmit a copy of this resolution to Bridgette Combs in care of the Whitesburg High School in Letcher County.

HR 170 was adopted by voice vote.

SB 26 taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative LeMaster moved the adoption of the Majority Free Conference Committee Report, thereby passage of **SB 26.**

The Majority Free Conference Committee Report on **SB 26** is as follows:

The free conference committee on **SB 26** has met as provided in the rules of the House and the Senate and hereby reported the following to be adopted:

Amend House Floor Amendment 2 as follows: Page 1, line 8, by adding "*or designee*" after the word "*instruction*"

Page 1, line 11, by deleting the word "*department*" and inserting "*state board*" in lieu thereof

Page 4, line 5, by inserting "*governor,*" before "*state*"

Page 4, lines 7 and 8, by deleting "*, and the report shall be presented to the general assembly in 1986*" and inserting the following in lieu thereof: "*and revision. The interim joint committee on education shall present the final report to the General Assembly for approval in 1986. A career ladder shall not be implemented until approved by the General Assembly*"

Page 5, lines 11 and 13, by changing "*1984-85*" to "*1985-86*"

Page 6, line 1, by adding the following after the word "*teachers*": "*with less than five (5) years of successful teaching experience who are seeking initial certification in Kentucky*"

Page 6, line 4, by deleting "*1984-85*" and inserting "*1985-86*" in lieu thereof

Page 6, line 6, by deleting "*during the 1985-86*" and inserting "*prior to the 1986-87*" in lieu thereof

Page 6, lines 13, 14, and 15, by deleting "*developed by the committee established by subsection (1) of this section*" and inserting the following in lieu thereof: "*specified in the plan approved by the general assembly*".

Page 9, line 5, by deleting "*stipulate*" and inserting "*promulgate regulations stipulating*" in lieu thereof;

Page 10, line 6, by deleting "*further stipulate*" and inserting "*promulgate regulations stipulating*" in lieu thereof;

Page 10, line 9, by inserting a comma "," after "*spelling*";

Page 10, line 10, by inserting the following after the word "*time*": "*, as defined by state board regulations,*" and deleting "*courses contained*" and inserting "*basic skills development*" in lieu thereof;

Page 10, line 11, by inserting "*English,*" before the word "*language*";

Page 16, lines 8 and 9, by deleting the following: "*, except where compliance is not practical*";

Page 17, line 1, by deleting "*in a class*" and inserting the following in lieu thereof: "*for every academic course requirement*"

Page 17, line 13, after the word " *year.*" add the following: "*A district shall not receive in any one year exemptions for more classes than enroll twenty percent (20%) of the pupils in kindergarten and grades one (1) through six (6).*"

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Signed by: Senators Kenneth Gibson, Louis Peniston, Clyde Middleton. Representatives Terry Mann, Jim LeMaster, Harry Moberly.

The above-named members, in separate votes by house, all concur in the provisions of this report, 12:55 p.m. (EST), March 30, 1984.

On the roll call the vote was yeas 75-Arnold, Bendl, Bennett, Blevins, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, Clarke, Cline, Cowan, Craddock, Curd, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Ford, Foster, Freibert, Gedling, Handy, Hines, Holbrook, Holloway, R. Jones, Kidd, Layman, Lefevers, LeMaster, Lile, List, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington. Nays 10-Barrows, Brown, P. Clark, Crupper, Cyrus, Farrow, Gray, Hancock, T. Jones, Noe.

SB 26, by way of Majority Free Conference Committee Report, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 26**, by way of Majority Free Conference Committee Report, was passed be reconsidered and said motion be placed on the table. Agreed.

SCR 98 taken from Orders of the Day. Representative LeMaster moved that it be adopted.

SCR 98, A CONCURRENT RESOLUTION relating to adjournment of the General Assembly.

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That when the Senate and the House of Representatives do adjourn on Friday, March 30, 1984, they do so to convene again on Thursday, April 12, 1984, at a time set by motion upon such adjournment.

On the roll call the vote was yeas 83-Allen, Arnold, Bendl, Bennett, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Heleringer, Hines, Holbrook, Holloway, Johnson, Kidd, Layman, Lefevers, Lile, List, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington. Nays 1-T. Jones.

SCR 98 was adopted and the title agreed to.

Recess

Representative LeMaster moved that the House recess until 5:00 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day

Representative LeMaster moved that the Conference Committee Report on **SB 124** requesting a Free Conference be accepted. Agreed.

The Speaker announced the appointment of the previously appointed members of the Conference Committee to the Free Conference Committee on **SB 124**.

Senate Message

Announcing appointing of the Free Conference Committee on **SB 124** as follows: Senators Trevey, Higdon, Lackey.

Orders of the Day (continued)

The following reports were filed: Free Conference Committee Report on **SB 124**, Free Conference Committee Report on **SB 404**, Free Conference Committee Report No. 2 on **HB 298**, Free Conference Committee Report on **HB 474**.

SB 124 taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Noe moved the adoption of the Free Conference Committee Report, thereby passage of **SB 124**.

The Free Conference Committee Report on **SB 124** is as follows:

The free conference committee on **SB 124** has met as provided in the rules of the House and the Senate and hereby reports the following to be adopted:

The Senate receded to the House Committee Substitute.

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Signed by: Senators John Trevey, Charles Gregory Higdon, Henry Lackey. Representatives Gerta Bendl, Pat Freibert, Roger Noe.

The above-named members, in separate votes by house, all concur in the provisions of this report, 4:15 p.m., March 30, 1984.

On the roll call the vote was yeas 52-Arnold, Barrows, Bendl, Blevins, Brinkley, Bronger, Bruce, Burch, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Dawahare, Deskins, Donnermeyer, Dunn, Foster, Freibert, Guenthner, Hines, Holloway, R. Jones, T. Jones, Kenton, Kidd, LeMaster, Lile, Little, Long, Maggard, Mann, McBee, Meyer, Moberly, Moore, Nett, Noe, O'Brien, Petty, Priddy, Rapier, Rattliff, Richards, B. Richardson, P. Richardson, B. Smith, Stone, Stumbo, Thomas, Worthington. Nays 30-Allen, Caldwell, Craddock, Crupper, Curd, Cyrus, Ellington, Endicott, Fryman, Gedling, Gray, Harper, Head, Heleringer, Holbrook, Johnson, Layman, Lefevers, McNutt, Noland, Overstreet, Patrick, Pearman, Reinhardt, Riner, Robinson, Turner, Van Horn, Williams, Yates.

SB 124, by way of Free Conference Committee Report, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 124,** by way of Free Conference Committee Report, was passed be reconsidered and said motion be placed on the table. Agreed.

Orders of the Day (continued)

SB 191 taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Dunn moved the adoption of the Free Conference Committee Report, thereby passage of **SB 191.**

The Free Conference Committee Report on **SB 191** is as follows:

The free conference committee on **SB 191** has met as provided in the rules of the House and the Senate and hereby reports the following to be adopted:

The following changes are recommended:

1. That the Senate concur in House Floor Amendment No. 2 to Senate Bill 191.

2. That the title of Senate Bill 191 be changed to "AN ACT relating to state government.".

3. That Senate Bill 191 be amended as follows:

On page 1, line 10, by inserting the following after "propulsion"; "*, except for the following*"; and

On page 1, between lines 10 and 11, by inserting the following:

(a) Boats or vessels propelled totally by a direct concurrent battery powered motor not to exceed one (1) horsepower, excluding those with generator systems; and

(b) Boats propelled by human power employing the use of hand or foot operation:

And, on page 5, after line 6, by adding the following:

Section 6. KRS 11.065 is amended to read as follows:

(1) The secretaries of the justice cabinet, the education and humanities cabinet, the natural resource and environmental protection cabinet, the transportation cabinet, the commerce cabinet, the public protection and regulation cabinet, the cabinet for human resources, the finance and administration cabinet, the energy [~~and agriculture~~] cabinet, the corrections cabinet, *the revenue cabinet, the tourism cabinet, the labor cabinet* the secretary of the governor's executive cabinet and the lieutenant governor shall constitute the governor's executive cabinet. There shall be a vice-chairman appointed by the governor who shall serve in an advisory capacity to the executive cabinet. The governor shall be the chairman and the secretary of the finance and administration cabinet shall be a second vice-chairman of the executive cabinet. The governor may designate others to serve as vice-chairmen.

(2) The cabinet shall meet not less than once every two (2) months and at other times on call of the governor. The executive cabinet shall be a part of the office of the governor and shall not constitute a separate

department or agency of the state. Members of the cabinet shall be the major assistants to the governor in the administration of the state government and shall assist the governor in the proper operation of his office and perform such other duties as the governor may require of them.

(3) The cabinet shall consider such matters involving policies and procedures as the governor or any member may place before it. The cabinet shall advise and consult with the governor on all matters affecting the welfare of the state.

Section 7. KRS 12.250 is amended to read as follows:

There are established within state government the following program cabinets:

(1) Justice cabinet.

(2) Education and humanities cabinet.

(3) Natural resource and environmental protection cabinet.

(4) Transportation cabinet.

(5) Commerce cabinet.

(6) Public protection and regulation cabinet.

(7) Cabinet for human resources.

(8) Finance and administration cabinet.

(9) Energy [~~and agriculture~~] cabinet.

(10) Corrections cabinet.

(11) Tourism cabinet.

(12) Revenue cabinet.

(13) Labor cabinet.

Section 8. KRS 18A.025 is amended to read as follows:

(1) The governor shall appoint the commissioner of personnel as provided in KRS 18A.015, who shall be considered an employe of the state. He shall be a graduate of an accredited college or university and have at least five (5) years experience in personnel administration or in related fields, have known sympathies with the merit principle in government and shall be dedicated to the preservation of this principle. Additional education may be substituted for the required experience and additional experience may be substituted for the required education.

(2) The department of personnel shall be *attached to the office of the secretary of the governor's executive cabinet* [~~a department in the finance and administration cabinet~~], and the commissioner shall have such duties and responsibilities as assigned by the secretary of the *executive* [~~finance and administration~~] cabinet, and shall be responsible to and report to the secretary.

(3) There is established within the department of personnel the following divisions, each of which shall be headed by a director appointed by the *commissioner subject to the prior approval of the governor* [~~secretary of the finance and administration cabinet~~], pursuant to KRS 12.050;

(a) The division of classification and compensation, which shall be responsible for[~~, but not limited to,~~] the maintenance of plans of classification and compensation for the state service; for the review and evaluation of these plans; *for the coordination of performance appraisal programs for state employes; for design and administration of employe benefits; for coordination of the workers' compensation program;* and for the coordination of programs providing services to employes;

(b) [~~The division of agency relations, which shall be responsible for, but not limited to, the maintenance of central personnel files on employes in the state service, preparation of registers of candidates for state employment, processing of personnel documents, the services and staff for the personnel board, and counseling state agencies regarding personnel programs;~~

~~(c)~~] The division of applicant counseling and examinations, which shall be responsible for[~~, but not limited to,~~] the operation of a centralized applicant *and employe* counseling *program, operation of an* [~~and~~] examination program for state employment, *preparation of registers of candidates for state employment, coordination of equal employment opportunity and affirmative action,* and outreach programs such as the administrative intern program;

(c)[~~(d)~~] The division of [~~employe benefits and~~] payroll *administration*, which shall be responsible for[~~, but not limited to,~~] *the maintenance of central personnel files for state employes, processing of personnel documents and personnel and position actions, operating and maintaining a uniform personnel payroll system,* [~~design and administration of employe benefits, coordination of the workers' compensation program, management information, coordination of equal employment opportunity and affirmative action,~~] and certification of payrolls of various state agencies[~~; and~~

~~(e) The division of career training, which shall be responsible for, but not limited to, the coordination and implementation of all education and training programs, with a special emphasis on managerial and office technical skills within the executive branch~~].

(4) The department shall include such principal assistants appointed by the commissioner, pursuant to KRS 12.050, as may be necessary for the development and implementation of policy. The commissioner may employ, pursuant to the provisions of KRS Chapter *18A* [~~18~~], such personnel as necessary to execute the functions and duties of the department.

Section 9. KRS 42.029 is amended to read as follows:

(1) There is established a department of state government to be known as the department of information systems. The department shall be a part of the finance and administration cabinet. The department of information systems shall be headed by a commissioner, appointed by the secretary of the finance and administration cabinet, with the approval of the governor. The commissioner shall be responsible to the secretary.

(2) The secretary of the finance and administration cabinet shall appoint, with the approval of the governor, a deputy commissioner of the department of information systems, pursuant to KRS 12.050. The commissioner of information systems, with the approval of the secretary of the finance and administration cabinet, may appoint such principal assistants, pursuant to KRS 12.050, as may be necessary for the development and implementation of policy. The commissioner may employ, pursuant to the provisions of KRS Chapter 18A, such personnel as may be necessary to execute the functions and duties of the department.

(3) The department of information systems shall include the following divisions, each of which shall be headed by a director appointed by the secretary with the approval of the governor, pursuant to KRS 12.050:

(a) The division of operations, which shall be responsible for computer operations, including the data center, remote batch entry, data control, on line support, and maintenance of the computer operations facility.

(b) The division of systems support, which shall be responsible for all computer hardware operations, research, development, programming, evaluation, and security systems.

(c) The division of special projects, which shall be responsible for ensuring dependable development and implementation of high priority data processing projects.

(d) The division of data management, which shall be responsible for data base administration, information retrieval and access for all state agencies and all types of software support for internal department development activities.

(e) The division of systems engineering, which shall be responsible for providing development and maintenance of all state agency application systems.

(f) The division of *information resources management* [~~systems planning and administration~~], which shall be responsible for systems planning and fiscal administration.

(g) The division for statewide financial systems, which shall be responsible for the development and implementation of the uniform and integrated system of accounts [~~and the uniform personnel payroll system,~~] including technical support.

(4) There is established within the division for statewide financial systems an accounting principles task force, which shall study and evaluate the Commonwealth's accounting system and develop recommendations and proposals for modifications and changes necessary to be installed in a unified and integrated system of accounts for state government, complying with generally accepted principles as provided in KRS 45.300.

Section 10. KRS 131.020 is amended to read as follows:

(1) The [~~department of~~] revenue *cabinet* shall be headed by the *secretary* [~~commissioner~~] of revenue, who shall be the executive officer and shall have sole charge of the administration of the department, and shall perform all functions of the department.

(2) *The revenue cabinet shall be organized into the following functional units:*

(a) Office of the secretary. The office of the secretary shall include such principal assistants and personnel appointed by the secretary pursuant to KRS Chapter 12 as are necessary to enable the secretary to perform functions of his office;

(b) Office of revenue estimating and economic analysis. The office of revenue estimating and economic analysis shall be headed by an executive director who shall be appointed by the secretary pursuant to KRS Chapter 12. The functions and duties of the office shall include revenue estimating and economic analysis;

(c) Department of property taxation. The department of property taxation shall be headed by a commissioner. The functions and duties of the department shall include mapping, providing assistance to property valuation administrators, supervising the property valuation process throughout the Commonwealth, valuating the property of public service companies, and administering intangible taxes;

(d) Department of processing and enforcement. The department of processing and enforcement shall be headed by a commissioner. The functions and duties of the department shall include recordkeeping, providing data services, conducting audits, providing liaison with federal and state agencies, rendering taxpayer assistance, and collecting delinquent taxes;

(e) Department of professional and support services. The department of professional and support services shall be headed by a commissioner. The functions and duties of the department shall include reviewing audits, conducting conferences, issuing final rulings, administering taxpayer protests, establishing revenue cabinet tax policies, representing the revenue cabinet in legal and administrative actions, providing management analysis, preparing publications, and providing personnel, fiscal and word processing services.

(3) The [~~department of~~] revenue *cabinet* shall be organized for administrative convenience into divisions in accordance with KRS chapter 12.

SECTION 11. A NEW SECTION OF KRS CHAPTER 148 IS CREATED TO READ AS FOLLOWS:

(1) There is hereby created an agency of state government to be known as the tourism cabinet. The cabinet shall be headed by a secretary who shall be appointed by the governor pursuant to the provisions of KRS 12.040. The secretary shall appoint such principal assistants and personnel pursuant to the provisions of KRS Chapters 12 and 18A as are necessary to enable him to perform the functions of his office.

(2) The cabinet shall consist of the office of the secretary, the office of general counsel, the office of administrative services, the department of travel development, the department of parks, and such other divisions and sections as are from time to time deemed necessary for the proper and efficient operation of the cabinet.

(3) The office of general counsel shall be headed by a general counsel appointed by the secretary pursuant to KRS 12.210, shall provide legal services for the cabinet and shall be directly responsible to the secretary.

(4) The department of travel development shall be headed by a commissioner appointed by the governor pursuant to the provisions of KRS 12.040. The commissioner shall have the authority and responsibility for the promotion, development, and support services for the tourism industry within the Commonwealth.

(5) The divisions of tourism services and marketing and advertising services are created within the department of travel development. Each division shall be headed by a division director who shall be appointed by the commissioner of the department pursuant to the provisions of KRS 12.050. The division of tourism services shall operate the highway welcome centers, conduct a hospitality education program for the tourism industry, coordinate the provision of mail and telephone information services to visitors, and generate sales revenue to the tourism industry of the Commonwealth through participation in trade shows and markets. The division of marketing and advertising services shall be responsible for state tourism advertising, the state matching fund tourism advertising program, the development and maintenance of a marketing and research data base on tourism, market survey programs and special studies related to the tourism industry.

Section 12. KRS 148.260 is amended to read as follows:

(1) The state horse park management board is hereby established, is attached to the *tourism* [~~commerce~~] cabinet and shall consist of seven (7) members appointed by the governor, who shall also designate its chairman. Members shall serve terms of four (4) years, or until their successors are appointed, except that the initial terms of membership shall be staggered as follows:

(a) One (1) member shall serve a term of one (1) year;

(b) Two (2) members shall serve a two (2) year term;

(c) Two (2) members shall serve a three (3) year term; and

(d) Two (2) members shall serve four (4) year terms.

(2) The management board shall be authorized to adopt bylaws providing for the call of its meetings and its operating procedures. A quorum of the board shall consist of four (4) members, and a majority of members present at any duly-called meeting may act upon any matter before it for consideration. Full minutes and records shall be maintained of all meetings and official actions of the board, and shall be subject to the Kentucky open records and open meetings acts. Members of the board shall be reimbursed for their expenses in attending meetings subject to department of finance regulation, and shall receive sixty-five dollars ($65.00) per diem for attending such meetings.

Section 13. KRS 152.020 is amended to read as follows:

(1) There is hereby created an agency of the state government to be known as the department of economic development, which shall constitute a department of the state government within the meaning of KRS chapter 12. The department shall consist of a commissioner and such administrative bodies and employes as are provided by law.

(2) The department, subject to the provisions of KRS 12.010 to 12.141, shall be organized into *a division* [~~an office of business development, an office of tourism development, an office~~] of community development, *a division of research and planning, a division of minority business, a division of small business assistance, a division of industrial development* and [~~a division of administrative services, and~~] such other divisions and sections as are from time to time deemed necessary for the proper and efficient operation of the department.

(3) The executive officer of the department shall be the commissioner of the department of economic development. The commissioner shall be appointed by the governor and shall serve at the pleasure of the governor. The commissioner shall have general supervision and direction over all activities and functions of the department and its employes, and shall be responsible for carrying out the programs and policies of the department. The commissioner shall be the chief executive officer of the department and, as such, shall have

authority to enter into contracts, subject to the approval of the secretary of the commerce cabinet and the secretary of the department of finance, when such contracts are deemed necessary to implement and carry out the program of the department.

(4) The [~~office of business development shall be headed by an executive director appointed pursuant to KRS 12.050 and shall consist of a~~] division of research and planning, *the* [~~a~~] division of [~~small and~~] minority business [~~development~~], *the division of small business assistance and the* [~~a~~] division of industrial development *shall* [~~and the Kentucky port and river development commission,~~] each *be* headed by directors appointed pursuant to KRS 12.050.

[~~(5) The office of tourism development shall be headed by an executive director appointed pursuant to KRS 12.050 and shall consist of a division of marketing and information and a division of travel development each headed by directors appointed pursuant to KRS 12.050.~~]

(5)[~~(6)~~] The *division* [~~office~~] of community development shall be headed by *a* [~~an executive~~] director appointed pursuant to KRS 12.050. *The division shall be responsible for* [~~and shall consist of a division of community programs responsible for the administration of Title I of the Housing and Community Development Act of 1974 as amended through 1981, which includes the community development block grant program and the 107 technical assistance program, and a division of community assistance responsible for~~] community assistance and revitalization [~~and the administration of the governor's economic achievement recognition program each headed by a director appointed pursuant to KRS 12.050~~].

(6)[~~(7)~~] The *office* [~~division~~] of administrative services shall be headed by *an executive* [~~a~~] director appointed by the *secretary, with the approval of the governor,* [~~commissioner~~] pursuant to KRS 12.050 and shall provide administrative and fiscal service support and perform all personnel functions for both the department and the office of the secretary of the commerce cabinet.

Section 14. KRS 152A.011 is amended to read as follows:

(1) There is hereby established a *cabinet* [~~department~~] of state government to be known as the [~~department of~~] energy *cabinet* (hereinafter referred to in this chapter as the *"cabinet"* [~~"department"~~]). The *cabinet* [~~department~~] shall be headed by a secretary of the [~~department of~~] energy *cabinet* (hereinafter referred to in this chapter as the "secretary"). The secretary shall be appointed by and directly responsible to the governor in accordance with KRS 12.040. The secretary shall be bonded as provided in KRS 62.160 in the minimum amount of one hundred thousand dollars ($100,000).

(2) The deputy secretary shall be appointed by and directly responsible to the secretary in accordance with KRS 12.050. The deputy secretary shall assume all responsibility and authority vested in the secretary upon the absence of the secretary. The deputy secretary will have specific responsibility for intergovernmental, institutional, and industrial liaison and other such responsibilities as are assigned by the secretary.

(3) All functions, powers and duties now vested in the department of energy and the Kentucky center for energy research are hereby transferred and vested in the *cabinet* [~~department~~]. With the transfer of all functions, powers, and duties the following organizational units are hereby transferred to the [~~department of~~] energy *cabinet*:

(a) Department of energy as created by this chapter to [~~department of~~] energy *cabinet*;

(b) Kentucky center for energy research as created by this chapter to [~~department of~~] energy *cabinet.*

Section 15. KRS 152A.030 is amended to read as follows:

There is established within the *cabinet* [~~department~~] a *department* [~~bureau~~] of energy research and development *and* [~~,~~] a *department* [~~bureau~~] of energy production and utilization [~~and a bureau of energy conservation and distribution~~]. Each *department* [~~bureau~~] shall be headed by a commissioner appointed by and directly responsible to the secretary in accordance with KRS 12.050. The commissioners shall perform such functions, powers and duties as provided by law and as the secretary may prescribe. Section 16. KRS 152A.125 is amended to read as follows:

The *department* [~~bureau~~] of energy production and utilization shall be headed by a commissioner appointed by and directly responsible to the secretary in accordance with KRS 12.050. The *department*

[~~bureau~~] shall have responsibility for insuring the increased production of fossil fuels and the *wiser utilization* [~~expanded use~~] of domestic *alternate* energy sources. The *department* [~~bureau~~] shall consist of the following organizational units:

(1) Division of coal development. The division of coal development shall be headed by a director appointed by the secretary, upon recommendation from the commissioner. The division shall be responsible for enhancing the markets for Kentucky coal, implementing solutions for improving Kentucky coal production and transportation, providing basic assistance to small coal operators and coordinating assistance to Kentucky's coal operators.

(2) Division of alternate energy development. The division of alternate energy development shall be headed by a director appointed by the secretary, upon recommendation from the commissioner. The division shall be responsible for providing for the application of appropriate technologies, including the development of solar and other renewable energy resources and small scale hydroelectric plants. The division shall also be responsible for promoting, when feasible, the production of energy from other resources such as solid waste and biomass.

(3) The division of conservation. The division of conservation shall be headed by a director appointed by the secretary, upon recommendation from the commissioner. The division of conservation shall have responsibility for conducting energy audits of educational facilities, state-owned buildings, and implementation of the Kentucky state energy conservation plans.

Section 17. KRS 154.020 is amended to read as follows:

(1) There shall be a development finance authority in the state government which shall be known as the Kentucky development finance authority, which shall be an independent agency of the Commonwealth reporting to the secretary of the commerce cabinet, but not attached to any administrative department.

(2) The authority shall consist of the secretary of the commerce cabinet, *the secretary of the tourism cabinet,* and the secretary of the department of finance, and eleven (11) at large members appointed by the governor. Of the eleven (11) at large members, three (3) shall be representative of industrial or manufacturing interests, three (3) shall be representative of agricultural interests, three (3) shall be representative of tourism interests and two (2) shall represent the public at large. The chairman shall be the secretary of the commerce cabinet who may appoint a deputy secretary of the commerce cabinet to serve as chairman. Each ex-officio member of the authority, as described in this section, may appoint in writing a substitute, who shall have full voting and other powers as a member of the authority or of the board, as the case may be. The writing by which the appointment is made shall be filed as a part of the records of the authority.

(3) The terms of all appointive members of the former industrial development finance authority shall be deemed to have expired as of midnight on June 30, 1978. The terms of the new appointed members of the Kentucky development finance authority shall commence as of July 1, 1978.

(4) Two (2) members initially appointed by the governor shall be appointed for a term of one (1) year, two (2) members for two (2), two (2) for three (3), and three (3) for four (4) years, respectively, from the date of their appointment and until their respective successors shall be duly appointed and qualified, the term of each appointed member to be designated by the governor at the time of his appointment. Their successors shall each be appointed for a term of four (4) years, except that any person appointed to fill a vacancy shall serve only for the unexpired term. Any appointed member of the authority shall be eligible for reappointment.

(5) Members of the authority shall be entitled to compensation for their services as members in the amount of one hundred dollars ($100) for each regular meeting of the authority, and shall be entitled to reimbursement for all necessary expenses incurred in connection with the performance of their duties as members.

Section 18. KRS 174.065 is amended to read as follows:

The *cabinet* [~~department~~] shall:

(a) *Assist the department of state police in coordinating* [~~Coordinate~~] all efforts of the state's various departments and agencies to promote traffic safety and *in making* [~~make~~] recommendations regarding the prevention of unnecessary duplications of these efforts, and;

(b) Cooperate with all organizations, public or private, in the encouragement and promotion of traffic safety education in all forms, and;

(c) Receive, control and expend, in accordance with the general provisions of the Kentucky Revised Statutes governing financial administration of all state agencies, grants and funds from either public or private sources.

Section 19. KRS 194.030 is amended to read as follows:

The cabinet for human resources shall consist of the following major organizational units which are hereby created:

(1) Office of the secretary.

(2) The office for policy and budget. The office for policy and budget shall provide the secretary with professional support in planning, budgeting, and policy analysis, including the appraisal of needs, the formulation of policy and the evaluation of programs. The office for policy and budget shall be headed by an administrator who shall be appointed by the secretary with the approval of the governor in accordance with KRS 12.050.

(3) The office of the counsel. The office of the counsel shall provide legal advice and assistance to all units of the cabinet in any legal action in which it may be involved. The office of the counsel shall employ all attorneys of the cabinet who serve the cabinet in the capacity of attorney and shall administer all personal service contracts of the cabinet for legal services. The office of the counsel shall be headed by a general counsel who shall be appointed by the secretary with the approval of the governor in accordance with KRS 12.050 and 12.210. The general counsel shall be the chief legal advisor to the secretary and shall be directly responsible to the secretary. The attorney general, on the request of the secretary, may designate the general counsel as an assistant attorney general in accordance with the provisions of KRS 15.105.

(4) The office of the ombudsman. The office of the ombudsman shall provide a review of citizen complaints on services of the cabinet for human resources when such complaints cannot be resolved through normal administrative remedies. The office of the ombudsman shall be headed by an ombudsman who shall be appointed by the governor with the advice of the secretary. The ombudsman shall be directly responsible to the secretary.

(5) The office of administrative services. The office of administrative services shall be responsible for providing administrative support services within the cabinet for human resources. All fiscal, facility and information management functions of the cabinet shall be vested in the office of administrative services. The office of administrative services shall be headed by an executive director who shall be appointed by the secretary with the approval of the governor in accordance with KRS 12.050. The executive director shall be a person who by experience and training in administration and management is qualified to perform the duties of this office. The executive director shall exercise authority over the office of administrative services under the direction of the secretary and shall only fulfill such responsibilities as delegated by the secretary.

(6) The department for social insurance. The department for social insurance shall develop and operate [~~all~~] programs of the cabinet that provide income maintenance or income supplementation services and [~~all~~] social insurance benefit programs *not assigned to another department*. The department for social insurance shall also be responsible for all eligibility determination and certification functions associated with these programs. The department for social insurance shall be headed by a commissioner for social insurance who shall be appointed by the secretary with the approval of the governor in accordance with KRS 12.050. The commissioner for social insurance shall be a person who by experience and training in administration and management is qualified to perform the duties of this office. The commissioner for social insurance shall exercise authority over the department for social insurance under the direction of the secretary and shall only fulfill such responsibilities as delegated by the secretary.

(7) The department for health services. The department for health services shall develop and operate all programs of the cabinet that provide health and mental health services and all programs for the prevention, detection, care, and treatment of physical and mental disability, illness, and disease. The department for health services shall be headed by a commissioner for health services who shall be appointed by the secretary with the approval of the governor in accordance with KRS 12.050. The commissioner for health services shall be a duly licensed physician who by experience and training in administration and

management is qualified to perform the duties of this office. The commissioner shall advise the head of each major organizational unit enumerated in this section on policies, plans and programs relating to all matters of public health, including any actions necessary to safeguard the health of the citizens of the Commonwealth. The commissioner shall serve as chief medical officer of the Commonwealth. The commissioner for health services shall exercise authority over the department for health services under the direction of the secretary and shall only fulfill such responsibilities as delegated by the secretary.

(8) The department for social services. The department for social services shall develop and operate all social service programs of the cabinet. The department for social services shall be headed by a commissioner for social services who shall be appointed by the secretary with the approval of the governor in accordance with KRS 12.050. The commissioner for social services shall be a person who by education, professional qualification, training, and experience in the administration and management of social service programs is qualified to perform the duties of this office. The commissioner for social services shall exercise authority over the department for social services under the direction of the secretary and shall only fulfill such responsibilities as delegated by the secretary.

(9) The department for *employment* [~~manpower~~] services. The department for *employment* [~~manpower~~] services shall develop and operate all *employment* [~~manpower~~] development and placement programs including all job recruitment and business liaison functions, employability development and training programs, and all job counseling and job placement programs of the cabinet. *In addition the department shall develop and operate all programs relating to unemployment insurance laws of the Commonwealth including responsibilities relating to hearing and judging unemployment insurance benefit appeals.* The department for *employment* [~~manpower~~] services shall be headed by a commissioner for *employment* [~~manpower~~] services who shall be appointed by the secretary with the approval of the governor in accordance with KRS 12.050. The commissioner for *employment* [~~manpower~~] services shall be a person who by experience and training in administration and management is qualified to perform the duties of this office. The commissioner for *employment* [~~manpower~~] services shall exercise authority over the department for *employment* [~~manpower~~] services under the direction of the secretary and shall fulfill only such responsibilities as delegated by the secretary.

(10) The office of the inspector general. The office of the inspector general shall be responsible for: (a) the conduct of audits and investigations for detecting the perpetration of fraud or abuse of any program by any client, or by any vendor of services with whom the cabinet has contracted; (b) such licensing and regulatory functions as the secretary may delegate; and (c) the notification and forwarding of any information relevant to possible criminal violations to the appropriate prosecuting authority. The office of the inspector general shall be headed by an inspector general who shall be appointed by the secretary with the approval of the governor. The inspector general shall be directly responsible to the secretary.

Section 20. KRS 152A.110, Bureau of Production and distribution--Duties--Divisions, is repealed.

Section 21. The General Assembly confirms Executive Order 82-866, except as it is superseded by Executive Order 83-440, reorganizing the Natural Resources and Environmental Protection Cabinet as follows:

(1) Abolish the Office of Administrative Services, Division of Personnel Management, Division of Management Services and Operations, and Division of Administration and Fiscal Affairs and transfer their functions to the Division of Administrative Services in the Office of the Secretary;

(2) Rename the Bureau of Environmental Protection, the Department for Environmental Protection and establish therein the Division of Environmental Services;

(3) Abolish the Laboratory Branch and transfer its function to the Division of Environmental Services;

(4) Abolish the Office of Special Projects and transfer its functions to the Office of the Secretary and the Department for Environmental Protection;

(5) Rename the Bureau of Surface Mining Reclamation and Enforcement the Department for Surface Mining Reclamation and Enforcement;

(6) Abolish the Division of Standards and Specifications and the Division of Operations and Enforcement and transfer their functions to the Department for Surface Mining Reclamation and

Enforcement;

(7) Establish the Division of Field Services in the Department for Surface Mining Reclamation and Enforcement;

(8) Rename the Bureau of Natural Resources the Department for Natural Resources; and

(9) Abolish the Division of Litigation and Enforcement and transfer its function to the Office of General Counsel.

Section 22. The general assembly confirms the reorganization effected by Executive Order 82-371 as follows:

(1) Affecting the transportation cabinet and the revenue cabinet. Ratify and confirm that portion of Executive Order 82-371 transferring the functions, responsibilities and duties of administering and collecting motor fuels use tax from the revenue cabinet to the transportation cabinet.

(2) The general assembly does not ratify that portion of Executive Order 82-371 establishing a division of fuel and roadway taxation or division of revenue recovery transport within the department of vehicle regulation of the transportation cabinet.

Section 23. The general assembly ratifies the changes effected by Executive Order 82-126 and partially confirmed by 1982 Acts chapter 184. Such ratification shall include:

(1) Transfer of the highway safety standards section from the division of mass transportation, department of vehicle regulation, transportation cabinet to the department of state police, justice cabinet.

(2) Transfer of all personnel, functions, responsibilities, liabilities, programs, funds and equipment of the highway safety standards section to the department of state police pursuant to a memorandum of agreement between the department of justice and the department of transportation effective February 1, 1982.

(3) Establishment of the accident report coding unit in the department of state police and the transfer to that unit in the department of state police of the four (4) employes performing the functions and duties of that unit presently assigned to the division of traffic in the department of highways in the transportation cabinet.

Section 24. The general assembly confirms Executive Order 83-217 to the extent it is not otherwise confirmed by this Act. The general assembly also confirms Executive Order 82-754 to the extent that it is not superseded by or in conflict with Executive Order 83-217. Such confirmations shall include the following:

(1) Transferring the office for program administration from the finance and administration cabinet to the office of secretary of the governor's executive cabinet.

(2) Reorganizing the department of personnel by:

(a) Transferring the register branch from the division of agency relations to the division of applicant counseling and examinations.

(b) Transferring the processing branch from the division of agency relations to the newly created division of payroll administration which is given the department of information system's responsibility for operating and maintaining a uniform personnel payroll system.

(c) Abolition of the information and board support branch and the divisions of agency relations and employe benefits and records.

(d) Reassigning duties of the division of employe benefits and records to other divisions within the department.

(3) Creating a position of principal assistant within the department of personnel.

Section 25. The general assembly confirms the reorganization of the Department of Revenue by

Executive Order 82-445 issued on June 15, 1982 to the extent that Executive Order 82-445 is not otherwise confirmed by this Act. Such confirmation shall include but is not limited to the following:

(1) Subdivision of the Department of Property Taxation into the following major organizational units:

(a) The Division of Technical Support;

(b) The Division of Local Valuation;

(c) The Division of State Valuation.

(2) Subdivision of the Department of Processing and Enforcement into the following major organizational units:

(a) The Division of Receipts and Data Services;

(b) The Division of Compliance and Taxpayer Assistance;

(c) The Division of Field Operations;

(d) The Division of Collections.

(3) Subdivision of the Department of Professional and Support Services into the following major organizational units:

(a) The Division of Protests and Conferences;

(b) The Division of Tax Policy and Legal Services;

(c) The Division of Administration.

(4) Authorization of the Secretary of the Finance and Administration Cabinet and the Commissioner of the Department of Personnel to take all necessary action to effectuate the organizational change, including the establishment and transfer of funds, personnel, records and equipment, the reallocation and acquisition of office space, and other related action.

Section 26. The Reviser of Statutes shall make the following changes in the Kentucky Revised Statutes to conform to Sections 6 and 10 of this Act:

(1) "Department of revenue" shall be changed to "revenue cabinet";

(2) "Commissioner of revenue" shall be changed to "secretary of revenue."

Section 27. Executive Order 82-837, relative to reorganization of the energy cabinet, is confirmed to the extent it is not otherwise confirmed by this Act.

Section 28. The Reviser of Statutes shall make the following changes in the Kentucky Revised Statutes relating to the Energy Cabinet and its components to conform to Sections 14 and 15 of this Act:

(1) "Department" shall be changed to "cabinet";

(2) "Bureau" shall be changed to "department."

Section 29. The general assembly confirms the reorganization of state government effected by Executive Order 83-64 to the extent that such reorganization is not otherwise confirmed by this Act.

Section 30. This Act confirms the renaming of the department for manpower services and the reassignment of the division of unemployment insurance to the department for employment services effected by Executive Order 83-71.

SECTION 31. A NEW SECTION OF KRS CHAPTER 229 IS CREATED TO READ AS

FOLLOWS:

(1) The first $100,000 in fees and charges collected by the Kentucky athletic commission shall be paid into the state treasury and credited to a separate revolving or trust and agency fund account established for the purpose of administrating the provisions of this chapter. The amount of fees and charges collected in excess of $100,000 shall be deposited to the credit of the general fund. The cost and expenses of administering the provision of this chapter, including compensation to members of the board and its officers and employes shall be paid out of the state treasury upon warrants of the secretary of the finance and administration cabinet according to law, provided that the total expense of administering these provisions shall not exceed the fees and other charges collected by the board and available in the revolving or trust and agency fund account, of that commission, except that, in fiscal year 1984-85 such costs shall not exceed the fees and other charges collected by the commission and available in the revolving or trust and agency account plus any funds which are appropriated to the commission under the provisions of House Bill 474 of the 1984 session of the Kentucky general assembly.

(2) All fees and charges collected by the Kentucky athletic commission, up to a maximum of $100,000, shall be available for the administration of the provisions of this chapter, and for no other purpose.

Section 32. The Legislative Research Commission shall study the feasibility of combining the duties, functions, and perhaps the personnel of the pretrial release program with that of the probation and parole program, together with cost estimates, and shall prepare a draft of legislation necessary to accomplish the same no later than July 15, 1985.

Staff services to be utilized in completing this study are estimated to be $10,000. These services shall be provided from the regular commission budget and are subject to the limitations and other research responsibilities of the commission.

Section 33. KRS 246.030 is amended to read as follows:

The department shall consist of:

(1) The commissioner;

(2) The board of agriculture;

(3) The division of markets;

(4) The division of weights and measures;

(5) The board of veterinary examiners;

(6) The division of pest and noxious weed control;

(7) The division of statistics;

(8) The division of pesticides; [~~and~~]

(9) The [~~exposition management~~] division *of shows and fairs; and*

(10) The Kentucky council on agriculture.

Section 34. KRS 247.413 is amended to read as follows:

There is hereby established the Kentucky council on agriculture which shall be *located within the department of agriculture* [~~attached to the energy and agriculture cabinet for administrative purposes~~]. The object of the council shall be the development and promotion of a broadly conceived statewide agricultural and agri-business program, including the distribution and promotion of agricultural products, which will stimulate the acceleration of the state's agricultural economy by endeavoring to improve all phases thereof.

Section 35. KRS 247.140 is amended to read as follows:

(1) The state fair board:

(a) Shall have the custody and control of such property as now is under its custody and control, and of such property as may hereafter be placed under its control or transferred to it by the state property and buildings commission, for any purposes mentioned in this section and the physical properties so under its custody and control or transferred to it are hereinafter referred to in this section, and in KRS 247.150 and 247.160, as the "state fair grounds and an area in a city of the first class to be used as an exhibition center."

(b) May erect and repair buildings on the state fair grounds and exhibition center, make any and all necessary or proper improvements, and generally carry on a program of development and extension of facilities designed to accomplish the objectives defined in this section.

(c) Shall promote the progress of the state and stimulate public interest in the advantages and development of the state by providing the facilities of the state fair grounds for agricultural and industrial exhibitions, public gatherings, cultural activities, and other functions calculated to advance the educational, physical and cultural interests of the public and by providing the facilities of the exhibition center for conventions, trade shows, public gatherings and other functions calculated to advance and enhance the visitor industry, economy, entertainment, cultural and educational interests of the public.

(d) May hold an annual fair on the state fair grounds, for the exhibition of agricultural, mechanical, horticultural, dairy, forestry, poultry, livestock, mineral, and all other industrial interests of the state, and prepare premium lists and establish rules of exhibition for the fair.

(e) May purchase liability insurance for the members and executive officers exempted from the classified service of the state by KRS 18A.115.

(f) Shall operate the North American International Livestock Exposition, which shall be under the direction of a director appointed by the governor upon the recommendation of the North American International Livestock Exposition executive committee.

(2) The state fair board may take, acquire and hold property, and all interest therein, by deed, gift, devise, bequest, lease, or eminent domain, or by transfer from the state property and buildings commission, and may dispose of any property so acquired in the manner provided by law. In the exercise of its power of eminent domain it shall proceed in the manner provided in the Eminent Domain Act of Kentucky.

Section 36. KRS 247.417 is amended to read as follows:

(1) The membership of the council shall consist of the lieutenant governor, the commissioner of agriculture, the secretary of the commerce cabinet, [~~the secretary of the energy and agriculture cabinet,~~] and eighteen (18) citizen members, a majority of whom shall be full-time farmers, appointed by the *commissioner of agriculture* [~~governor~~]. Two (2) members shall be appointed from each congressional district and four (4) from the state-at-large. All members shall serve at the *commissioner's* [~~governor's~~] will during his incumbency, and until each member's successor is appointed.

(2) The *commissioner of agriculture* [~~secretary of the energy and agriculture cabinet~~] shall serve as chairman of the council. The council may elect by majority vote a vice-chairman and such officers of the council as may be deemed necessary.

(3) Citizen members of the council shall receive a compensation of fifty dollars ($50) per day for each day of attendance at meetings of the council, and shall be reimbursed by the *commissioner's* [~~secretary's~~] office for necessary and actual expenses in accordance with the provisions of KRS chapters 44 and 45.

(4) The council shall meet at the call of the chairman, but not less often than four (4) times during each calendar year. A majority of the members appointed to the council shall constitute a quorum.

Section 37. KRS 247.420 is amended to read as follows:

The duties and functions of the council shall be to:

(1) Counsel with the *commissioner of agriculture* [~~governor~~] on matters pertaining to agricultural and agri-business development and the marketing and distribution of agricultural products.

(2) Promote, to the fullest extent, coordination and cooperation among public and private agencies and organizations so that each may make the maximum contribution toward the attainment of a greater and improved agricultural economy.

(3) Make investigations, undertake such studies, and prepare such reports and recommendations regarding the elimination or alleviation of specific problems affecting farm gross and net income, the improvement of all phases of agriculture, and any other matters necessary and incidental to the stimulation of the development of a statewide agricultural program for acceleration of farm income.

(4) Promote the production and marketing of Kentucky farm products and services, on local, state, national and international levels, through research, education, and other promotional activities.

(5) Contract from time to time as appropriate with experts and consultants who may be utilized as deemed necessary and make other necessary purchases.

(6) Hold public and private hearings for the purpose of furthering the objectives of the council's programs.

Section 38. KRS 147A.002 is amended to read as follows:

(1) The department for local government shall be headed by a commissioner, and shall be divided for administrative purposes into *the division of community programs and* such *other* divisions as the commissioner, with the approval of the governor, determines. *The division of community programs shall be responsible for the administration of Title I of the housing and community development act of 1974 as amended through 1981, which includes the community block grant program and the 107 technical assistance program.*

(2) The commissioner, with the approval of the governor, shall appoint necessary deputies, assistants, attorneys and other employes and shall fix their compensation and authorize payment of their expenses according to law.

(3) The commissioner shall be the state local finance officer and he may delegate the duties to his agent designated in writing with the approval of the governor.

Section 39. The Legislative Research Commission is directed, through the Interim Joint Committee on Health and Welfare, to study the advisability and feasibility of separation of the mental health/mental retardation delivery services. The study should include, but not necessarily be limited to, a comparative study of other state systems, fiscal and programmatic impacts, access of providers to the Cabinet for Human Resources and the effects of elevating mental health and mental retardation administration to a department level in state government. The Interim Joint Committee on Health and Welfare shall report its findings and recommendations to the Legislative Research Commission not later than September 30, 1985. Staff services to be utilized in completing this study are estimated to be $12,000. These services shall be provided from the regular commission budget and are subject to the limitations and other research responsibilities of the commission.

SECTION 40. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

The cabinet shall submit an annual report to the governor and the legislative research commission on the dispensing of prescription medications to persons eligible under KRS 205.560, on or before September 1 of the year. Such report shall include an estimate of the current cost to pharmacies, including associated administrative costs, of dispensing prescription medications to eligible recipients under the provisions of KRS 205.560, the current level of dispensing fee provided by the cabinet, and an estimate of additional revenues required to adequately adjust reimbursement to cover costs for such pharmacies.

And, on page 5, line 7, by changing "Section 6" to "Section 41.".

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Signed by: Senators Woody May, Ed Ford, Kelsey Friend. Representatives James Dunn, Louis Johnson, Billy Ray Smith.

The above-named members, in separate votes by house, all concur in the provisions of this report, 2:15 p.m., March 29, 1984.

On the roll call the vote was yeas 51-Arnold, Bendl, Blandford, Blevins, Brinkley, Bronger, Bruce, Burch, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Gray, Handy, Head, Heleringer, Hines, Johnson, Kidd, LeMaster, Little, Maggard, McBee, McElroy, McNutt, Meyer, Nett, Noe, O'Brien, Petty, Priddy, Richards, B. Richardson, P. Richardson, Riner, B. Smith, F. Smith, Stone, Stumbo, Thomas, Thomason, Van Horn, White, Williams. Nays 30-Allen, Barrows, Caldwell, Crupper, Curd, Ellington, Endicott, Farrow, Freibert, Fryman, Gedling, Harper, Holbrook, T. Jones, Layman, Lefevers, Lile, Mann, Moberly, Moore, Noland, Overstreet, Patrick, Pearman, Rapier, Rattliff, Reinhardt, Robinson, Turner, Yates.

SB 191, by way of Free Conference Committee Report, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 191**, by way of Free Conference Committee Report, was passed be reconsidered and said motion be placed on the table. Agreed.

A Free Conference Committee Report was filed on **SB 56**.

HB 25 taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Deskins moved adoption of the Majority Free Conference Committee Report, thereby passage of **HB 25**.

The free conference committee on **HB 25** has met as provided in the rules of the House and Senate and hereby reports the following to be adopted:

On page 1, by deleting the title and inserting: AN ACT relating to roads and the funding thereof.

On page 1, line 8, after the word "*dust.*" by inserting the following: "*Said producer or producers shall be notified of the fiscal court's finding by certified mail and shall be afforded a reasonable opportunity to treat said road to control dust prior to the county fiscal court initiating dust control treatment.*"

On page 2, line 4, after the "." insert the following:

Section 2. KRS 186.050 is amended to read as follows:

(1) The annual registration fee for motor vehicles, including taxicabs, airport limousines and U-Drive-Its, primarily designed for carrying passengers and having provisions for not more than nine (9) passengers, including the operator, shall be eleven dollars and fifty cents ($11.50).

(2) The annual registration fee for each motorcycle shall be five dollars ($5.00), and for each sidecar attachment, three dollars ($3.00).

(3) (a) All motor vehicles having a declared gross weight of vehicle and any towed unit of six thousand (6,000) pounds or less except those mentioned in subsections (1) and (2) of this section and those engaged in hauling passengers for hire, operating under certificates of convenience and necessity, are classified as commercial vehicles and the annual registration fee, except as provided in subsections (4) to (14) hereof, shall be eleven dollars and fifty cents ($11.50).

(b) All motor vehicles except those mentioned in subsections (1) and (2) of this section, and those engaged in hauling passengers for hire, operating under certificates of convenience and necessity, are classified as commercial vehicles and the annual registration fee, except as provided in subsections (3)(a) and (4) to (14) hereof, shall be as follows:

Declared Gross Weight of Vehicle	Registrationand Any
73,281-82,000	840.00

(4) (a) Any farmer owning a truck having a gross weight of thirty-eight thousand (38,000) pounds or less may have it registered as a farmer's truck and obtain a license for eleven dollars and fifty cents ($11.50). The applicant's signature upon the certificate of registration and ownership shall constitute a certificate that he is a farmer engaged solely in the production of crops, livestock or dairy products, that he owns a truck of the gross weight of thirty-eight thousand (38,000) pounds or less, and that during the next twelve (12) months

the truck will be used only in transporting persons, food, provender, feed, machinery, livestock, material and supplies necessary for his farming operation, and the products grown on his farm.

(b) Any farmer owning a truck having a declared gross weight in excess of thirty-eight thousand (38,000) pounds shall not be required to pay the fee set out in subsection (3) of this section and, in lieu thereof, shall pay forty percent (40%) of the fee set out in subsection (3) hereof and shall be exempt from any fee charged under the provisions of KRS 281.752. The applicant's signature upon the registration receipt shall be considered to be a certification that he is a farmer engaged solely in the production of crops, livestock or dairy products, and that during the current registration year the truck will be used only in transporting persons, food, provender, feed and machinery used in operating his farm and the products grown on his farm.

(5) Any person owning a truck or bus used solely in transporting school children and school employes may have the truck or bus registered as a school bus and obtain a license for eleven dollars and fifty cents ($11.50) by filing with the county clerk, in addition to other information required, an affidavit stating that the truck or bus is used solely in the transportation of school children and persons employed in the schools of the district, that he has caused to be printed on each side of the truck or bus and on the rear door the words "School Bus" in letters at least six (6) inches high and of a conspicuous color and the truck or bus will be used during the next twelve (12) months only for the purpose stated.

(6) Any church or religious organization owning a truck or bus used solely in transporting persons to and from a place of worship or for other religious work may have the truck or bus registered as a church bus and obtain a license for eleven dollars and fifty cents ($11.50) by filing with the county clerk, in addition to other information required, an affidavit stating that the truck or bus will be used only for the transporting of persons to and from a place of worship, or for other religious work, and that there has been printed on the truck or bus in large letters the words "Church Bus," with the name of the church or religious organization owning and using the truck or bus, and that during the next twelve (12) months the truck or bus will be used only for the purpose stated.

(7) Any person owning a motor vehicle on which a wrecking crane and other equipment suitable for an automobile wrecker service has been permanently mounted may register the vehicle and obtain a license for eleven dollars and fifty cents ($11.50) by filing with the county clerk, in addition to other information required, an affidavit that a wrecking crane and other equipment suitable for an automobile wrecker service has been permanently mounted on such vehicle and that during the next twelve (12) months the vehicle will be used only in automobile wrecker service.

(8) Motor vehicles having a declared gross weight in excess of eighteen thousand (18,000) pounds, which when operated in this state are used exclusively for the transportation of property within the limits of the city named in the affidavit hereinafter required to be filed, or within ten (10) miles of the city limits of the city if it is a city of the first, second, third, or fourth class, or within five (5) miles of its limits if it is a city of the fifth or sixth class, shall not be required to pay the fee as set out in subsection (3) of this section, and in lieu thereof shall pay forty percent (40%) of the fee set forth in subsection (3) hereof and shall be exempt from any fee charged under the provisions of KRS 281.752. Nothing in this section shall be construed to limit any right of nonresidents to exemption from registration under any other provisions of the laws granting reciprocity to nonresidents. Operations outside of this state shall not be considered in determining whether or not the foregoing mileage limitations have been observed. When claiming the right to the reduced fee, the applicant's signature on the certificate of registration and ownership shall constitute a certification or affidavit stating that the motor vehicle when used within this state is used only for the transportation of property within the city to be named in the affidavit and the area above set out and that the vehicle will not be used outside of a city and the area above set out during the current registration period.

(9) Motor vehicles having a declared gross weight in excess of eighteen thousand (18,000) pounds, [~~which are used exclusively for the transportation of coal from the point at which such coal is mined to a railhead or tipple, where such railhead or tipple is located at a point not more than fifty (50) air miles from the point at which such coal is mined, or~~] which are used exclusively for the transportation of primary forest products from the harvest area to a mill or other processing facility, where such mill or processing facility is located at a point not more than fifty (50) air miles from the harvest area or which are used exclusively for the transportation of concrete blocks or ready mixed concrete from the point at which such concrete blocks or ready mixed concrete is produced to a construction site where such concrete blocks or ready mixed concrete is to be used, where such construction site is located at a point not more than thirty (30) air miles from the point at which such concrete blocks or ready mixed concrete is produced shall not be required to pay the fee as set out in subsection (3) of this section, and in lieu thereof shall pay forty percent (40%) of the fee set out in subsection (3) hereof and shall be exempt from any fee charged under the provisions of KRS 281.752. The applicant's signature upon the certificate of registration and ownership shall constitute a certification that the motor vehicle will not be used during the current registration period in any manner other than that for which the reduced fee is provided in this section.

(10) Motor vehicles used exclusively for the transportation and delivery of motor vehicles, not including trailers and semitrailers, by means of the full amount or truckaway methods on trailers or semitrailers, shall pay an amount equal to three-fourths (3/4) of the fee set out in subsection (3) hereof. Any

applicant for such registration shall present to the county clerk a certification from the cabinet that the vehicle may be licensed in accordance herewith. No clerk shall issue registrations under this section without attaching a copy of the department's certification to the transportation cabinet's copy of the certificate of registration and ownership.

(11) Any owner of a commercial vehicle registered for a declared gross weight in excess of eighteen thousand (18,000) pounds, intending to transfer same and desiring to take advantage of the refund provisions of KRS 186.056(2) may reregister such vehicle and obtain a "For Sale" certificate of registration and ownership for one dollar ($1.00). Title to a vehicle so registered may be transferred, but such registration shall not authorize the operation or use of the vehicle on any public highway. No refund may be made under the provisions of KRS 186.056(2) until such time as the title to such vehicle has been transferred to the purchaser thereof. Provided, however, that nothing herein shall be so construed as to prevent the seller of a commercial vehicle from transferring the registration of such vehicle to any purchaser thereof.

(12) The annual registration fee for self-propelled vehicles containing sleeping or eating facilities shall be twenty dollars ($20.00) and the tag issued shall be designated "Housecar." Provided, however, that the foregoing shall not include any motor vehicle primarily designed for commercial or farm use having temporarily attached thereto any such sleeping or eating facilities, or any commercial vehicle having sleeping facilities.

(13) The registration fee on any vehicle registered under this section shall be increased fifty percent (50%) when such vehicle is not equipped wholly with pneumatic tires.

(14) (a) The department of vehicle regulation is authorized to negotiate and execute an agreement or agreements with other jurisdictions for the purpose of developing and instituting proportional registration of motor vehicles engaged in interstate commerce, or in a combination of interstate and intrastate commerce, and operating into, through or within the Commonwealth of Kentucky. The agreement or agreements may be made on a basis commensurate with, and determined by, the miles traveled on, and use made of, the highways of this Commonwealth as compared with the miles traveled on and use made of highways of other states, or upon any other equitable basis of proportional registration. Notwithstanding the provisions of KRS 186.020, the cabinet shall promulgate regulations concerning the registration of motor vehicles under any agreement or agreements made under this section and shall provide for direct issuance by it of evidence of payment of any registration fee required under such agreement or agreements. Any proportional registration fee required to be collected under any proportional registration agreement or agreements shall be in accordance with the taxes established in this section.

(b) Any owner of a commercial vehicle who is required to title his motor vehicle under this section shall first title such vehicle with the county clerk pursuant to KRS 186.020 for a state fee of one dollar ($1.00). Title to such vehicle may be transferred, however title, without proper registration, shall not authorize the operation or use of the vehicle on any public highway. Any commercial vehicle properly titled in Kentucky may also be registered in Kentucky, and, upon payment of the required fees, the department may issue an apportioned registration plate to such commercial vehicle.

(c) Any commercial vehicle that is properly titled in a foreign jurisdiction, which vehicle is subject to apportioned registration as provided in (a) of this subsection may be registered in Kentucky, and, upon proof of proper title, and payment of the required fees, the department may issue an apportioned registration plate to such commercial vehicle. The department shall promulgate regulations in accordance with this section.

SECTION 3. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOWS:

(1) Any person transporting coal, who has obtained a motor vehicle registration issued pursuant to the provisions of this Act, may operate on any road or bridge covered by a cooperative agreement, as provided in Section 6 of this Act, and on those roads whose weights are prescribed in KRS 189.221 which are utilized as part of the transportation route of the person, up to the limits of the vehicle registration license.

(2) The commissioner of vehicle regulation may restrict or regulate traffic on the coal transportation system in such a manner as is reasonably necessary to promote the safety and convenience of the travelling public.

(3) The department of vehicle regulation shall have any and all necessary power and authority subject to appropriate provision of the statutes, to promulgate regulations and institute such programs as are reasonably necessary to carry out the provisions of Sections 3 through 9 of this Act.

SECTION 4. KRS 177.972 IS REPEALED, REENACTED AND AMENDED TO READ AS FOLLOWS:

(1) [~~On or before August 15, 1982, and each year thereafter,~~] The transportation cabinet shall publish a directory, including supporting maps and other documents, designating the official *coal* [~~natural resources~~] road system in *coal* [~~natural resources~~] impact and *coal* [~~natural resources~~] producing counties which shall include all public highways, roads, *bridges* and streets over which quantities of *coal* [~~natural resources,~~] sufficient to significantly affect the condition and state of repair of such highways, roads, *bridges* and streets[~~,~~] have been transported in the immediately preceding [~~fiscal~~] year. The cabinet shall further publish the total county mileage of the official *coal* [~~natural resources~~] road system and the total ton-miles within

each *coal* [~~natural resources~~] impact and *coal* [~~natural resources~~] producing county for said preceding [~~fiscal~~] year.

(2) Every person, *producer or processor* shipping or transporting *coal* [~~natural resources, and every carrier hired or common carrier hauling natural resources~~] over the public highways, roads, *bridges* and streets, shall file with the transportation cabinet such information and at such intervals as the cabinet shall designate by regulation duly adopted for the purpose of identifying those highways, roads, and streets comprising the *coal* [~~natural resources~~] road system and the quantities of *coal* [~~natural resources~~] transported thereon, in order that the cabinet can accurately calculate total ton-miles within each *coal* [~~natural resource~~] impact and *coal* [~~natural resource~~] producing county. *A copy of the information furnished to the natural resources and environmental protection cabinet pursuant to the permitting requirements of KRS Chapter 350 regarding public road transportation plan may, subject to its approval, be submitted to the transportation cabinet to satisfy the reporting requirements of this subsection and such transportation plan shall be annually updated to reflect in route changes.* [~~Unless an employe-employer relationship otherwise exists, the securing of a natural resource recovery road permit under KRS 189.276 shall not be construed as establishing such a relationship between the individual or entity securing the permit and the individual or entity hauling under the permit.~~

~~(3) The department of revenue shall make available to the transportation cabinet coal severance and processing tax and natural resource and processing tax data for use in verifying and supplementing the information furnished under the provisions of subsection (2) above. The information shall be furnished in such a manner as to conceal the identity of individual taxpayers; in the event the data cannot be furnished without revealing the identity of an individual taxpayer, it shall be withheld.~~]

SECTION 5. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOWS:

All revenues generated pursuant to Sections 7(9) and (10), 8 and 9 of this Act shall be credited to a special account within the road fund called the "coal recovery road fund" and any additional funds obtained through state appropriation, gifts, grants and federal funds may be credited to the special account, and shall be used, in addition to those road funds normally used for said highways, exclusively by the transportation cabinet for those costs attendant to highway purposes for roads covered by any cooperative agreements under Section 3 of this Act. All funds in the account shall be carried forward at the end of each year.

SECTION 6. A NEW SECTION OF KRS CHAPTER 186 IS CREATED TO READ AS FOLLOWS:

(1) Motor vehicles exceeding the gross axle weight limits prescribed by KRS 189.222 having a declared gross weight in excess of eighty-thousand (80,000) pounds, which are used primarily for the transportation of coal from the point at which such coal is mined or processed to a railhead, tipple, processing plant, storage yard or consumer in accordance with the cooperative agreement covering the authorization to operate such vehicle in excess of KRS 189.222 and on those roads whose weights are prescribed in KRS 189.221 which are utilized as a part of the transportation route of said motor carrier, shall, in addition to the payment of the registration fee for an eighty thousand (80,000) pound truck as specified in KRS 186.050(3), also pay an additional fee of fifty dollars ($50) for each type of motor carrier as set forth below:

(a) Motor carriers with steering and one (1) tandem axle shall be limited to a gross weight of ninety thousand (90,000) pounds with a tolerance of five percent (5%);

(b) Motor carriers with steering and three (3) axles shall be limited to a gross weight of one hundred thousand (100,000) pounds with a tolerance of five percent (5%);

(c) Motor carriers with steering and four (4) or more axles shall be limited to a gross weight of one hundred twenty thousand (120,000) pounds with a tolerance of five percent (5%).

(d) Any motor carrier issued a registration pursuant to this section shall be authorized to exceed the gross weight limits, gross axle weight limits, or the tire weight limits prescribed by the commissioner of highways pursuant to KRS 189.222 on those state maintained highways and bridges for which a cooperative agreement has been executed pursuant to Section 3 of this Act and on those roads and bridges whose weights are prescribed in KRS 189.221 which are utilized as part of the transportation route of said motor carriers.

(2) Any motor carrier involved in the transportation of coal which meets gross axle weights of twenty thousand (20,000) pounds per axle and twelve thousand (12,000) pounds for the steering axle may register in excess of eighty thousand (80,000) pounds by payment of the registration fee prescribed by KRS 186.050(3), plus an additional fee of fifteen dollars ($15) per thousand (1,000) pounds of registered weight above eighty thousand (80,000) pounds.

(3) Nothing in this Act shall be construed to jeopardize the receipts of federal funds for highway purposes and the commissioner of vehicle regulation shall not act in any manner which would jeopardize federal highway funds to be received by the Commonwealth. In no event shall any vehicle operate on a federal interstate highway in excess of those weight limits prescribed in KRS 189.222(6) regardless of whether or not a cooperative agreement has been executed.

Section 7. KRS 186.990 is amended to read as follows:

(1) Any person who violates any of the provisions of KRS 186.020, 186.030, 186.040, 186.045(5), 186.050, 186.056, 186.060, 186.070, 186.110, 186.130, 186.140, 186.150, 186.160, 186.170, 186.180, 186.210, 186.230, or 186.655 to 186.680 shall be fined not less than twenty dollars ($20.00) nor more than one hundred dollars ($100) for each offense.

(2) Any person who violates any of the provisions of KRS 138.465, 186.190, or 186.200 shall be fined not less than twenty dollars ($20.00) nor more than two thousand dollars ($2,000) or imprisoned for not more than one (1) year, or both.

(3) Unless another penalty is provided by law, any person who violates any of the provisions of KRS 186.400 to 186.640 shall be fined not less than twelve dollars ($12.00) nor more than five hundred dollars ($500) or imprisoned for not more than six (6) months, or both.

(4) Any clerk or judge failing to comply with subsection (1) of KRS 186.550 shall be subject to a penalty of one hundred dollars ($100) which shall accrue to the state and may be recovered with costs of the suit in a civil action brought by the cabinet.

(5) If it appears to the satisfaction of the trial court that any offender under KRS 186.400 to 186.640 has a driver's license but in good faith failed to have same on his or her person or misplaced or lost same, the court may, in its discretion, dismiss the charges against the defendant without fine, imprisonment or cost.

(6) Any person who steals a motor vehicle registration plate shall be guilty of a felony and shall be confined in the penitentiary for not less than one (1) nor more than five (5) years. Displaying a canceled registration plate on a motor vehicle shall be prima facie evidence of guilt under this section.

(7) Any person who violates the provisions of KRS 186.1911 shall be guilty of a Class A misdemeanor.

(8) Any person who makes a false affidavit to secure a license plate under KRS 186.172 shall be fined not less than one hundred dollars ($100) nor more than five hundred dollars ($500) or imprisoned for a period of six (6) months.

(9) Any person who transports coal in violation of any provision of Section 3 or 6 of this Act shall be fined not less than two hundred fifty dollars ($250) and not more than five hundred dollars ($500) for each offense.

(10) Any operator or processor which permits coal to be transported in violation of Section 9 of this Act shall be fined not less than five hundred dollars ($500) and not more than one thousand dollars ($1,000).

SECTION 8. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOWS:

(1) The department of vehicle regulation is authorized to enter into cooperative agreements with any person engaged in the mining, processing, transporting or sale of coal providing for the transportation of coal in vehicles exceeding the maximum weight limits on the state maintained system. Such cooperative agreements shall provide for an equitable apportionment of the incremental costs for design, maintenance, construction or reconstruction of those roads and bridges, except those roads and bridges which are part of the federal interstate highway system, resulting from the transportation of coal by trucks transporting coal in excess of the maximum weight limits on the state maintained system and covered by the cooperative agreement. Nothing contained herein shall effect the continuing validity of any existing agreement.

(2) Any area of dispute arising under a cooperative road agreement, excluding the weight bearing capacity of a bridge, which cannot be resolved between the parties shall be submitted to an arbitration panel, which shall consist of one (1) arbitrator appointed by the commissioner of the department of highways, one (1) arbitrator appointed by the aggrieved party or parties, with the third arbitrator being appointed by the commissioner of the department of vehicle regulation, from a list of persons agreed to jointly by the commissioner of the department of highways and the parties to the cooperative agreement. In the event the two (2) parties to the dispute cannot agree upon a joint list, the third arbitrator shall be chosen by the commissioner of the department of vehicle regulation. The administrative costs incurred by the transportation cabinet in the arbitration procedures as provided herein shall be paid out of those revenues deposited pursuant to Section 5 of this Act.

(3) In any dispute arising under a cooperative road agreement concerning the weight bearing capacity of a bridge, the aggrieved party or parties shall submit to the state highway engineer a certified opinion rendered by a qualified registered engineer duly licensed in the Commonwealth, setting forth his independent analysis of the weight bearing capacity of the bridge. Relying in fact upon said certified independent analysis, the state highway engineer may adjust the determination of weight bearing capacity of a bridge.

(4) Notwithstanding KRS Chapter 143 the total tax contributions from any person entering into a cooperative agreement, as specified in this section of this Act, shall not exceed, in the aggregate, the sum of five thousand dollars ($5,000) per mile per year on those roads covered by the cooperative agreement, but such contribution shall not exceed ten cents (10) per ton of coal hauled on cooperative roads per year from an individual coal operator unless otherwise agreed. The transportation cabinet may allow any person, under the cooperative agreement, to provide for the design, approved maintenance, construction or reconstruction provided for in subsection (1) of this section in accordance with guidelines or standards prescribed by the cabinet. In the event any person exceeds his annual total tax contribution as authorized under a cooperative

agreement, such person may petition the commissioner of vehicle regulation for a carry over for future years liability.

(5) Notwithstanding any provision of this Act, the Commonwealth shall not be relieved of expending its normal routine maintenance on all roads covered by the cooperative agreements.

SECTION 9. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOWS:

(1) The department of vehicle regulation shall create a coal recovery road fund within the road fund. The coal recovery road fund shall receive from any operator or processor who is not covered by a cooperative agreement as provided in Section 3 of this Act, and exceeds the gross weight, gross axle weight or tire weights ten cents (10) per ton tax for coal hauled over state maintained system in addition to any taxes paid by a coal operator or processor under KRS Chapter 143. The coal road hauling tax shall be paid at the same time as the tax levied under KRS 143.020 and remitted to the transportation cabinet in accordance with those regulations promulgated by the commissioner of vehicle regulation.

(2) Any operator or processor whose public road transportation plan provides sufficient evidence to the commissioner of vehicle regulation that the one way hauling distance of coal is limited to twenty-five (25) air miles over the state maintained system shall be assessed a tax of five cents (5) per ton instead of the tax due under the provisions of subsection (1) of this section.

(3) The coal recovery road fund may receive any additional funds obtained through state appropriations, gifts, grants and federal funds.

(4) A tandem or triaxle shall be limited to transporting coal to a radius of seventy-five (75) air miles from the point at which the coal is mined.

(5) Any motor carrier transporting coal over roads in coal producing and coal impact counties under this section shall be subject to the registration fees and weight limitations as provided in Section 6(1) of this Act.

(6) Total tax contributions from any persons under this section shall not exceed five thousand ($5,000) per mile per year provided that such person shall have applied for a cooperative agreement.

SECTION 10. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO READ AS FOLLOWS:

Nothing in this Act shall be construed as prohibiting a county fiscal court from entering into a cooperative agreement.

SECTION 11. A NEW SECTION OF KRS CHAPTER 186 IS CREATED TO READ AS FOLLOWS:

All motor carriers registered pursuant to Section 6 of this Act shall be exempt from the two percent (2%) surtax provided by subsection (2) of KRS 138.660 and the weight distance tax provided by subsection (3) of KRS 138.660.

Section 12. The following KRS sections are repealed:

KRS 174.105. Motor carrier regulatory board -- Membership -- Hearings on violations.

KRS 177.971. Definitions.

KRS 177.973. Resource recovery road fund -- Use of fund -- Exemptions.

KRS 177.974. Expenditure after consultation with local legislators and fiscal court members -- Division of funds -- Matching funds.

KRS 177.975. Allocation of funds for reconstruction, maintenance and repair of resource recovery roads and bridges.

KRS 189.276. Issuance of resource recovery road hauling permit -- Terms and conditions -- Fee.

KRS 189.277. Forms for use of permit -- Review by department of revenue.

Direct the clerk, on enrollment, to make appropriate section number changes to conform to this report.

Signed by: Senators Benny Ray Bailey, Gene Huff. Representatives Gregory Stumbo, Herbert Deskins, Jr.

The above-named members, in separate votes by house, all concur in the provisions of this report, March 30, 1984, 11:30 a.m., Room 323.

On the roll call the vote was yeas 42-Arnold, Bennett, Blandford, Blevins, Brinkley, Bronger, Bruce, L. Clark, P. Clark, Clarke, Cline, Cowan, Curd, Cyrus, Deskins, Dunn, Endicott, Foster, Gray, Hines, Kenton, Kidd, LeMaster, Little, Long, Maggard, McBee, McElroy, Moore, Morris, Noland, Perkins, Priddy, Richards, B. Richardson, Seum, B. Smith, Stone, Stumbo, Thomas, White, Williams. Nays 44-Allen, Burch, Burnette, Caldwell, Dawahare, Donnermeyer, Ellington, Farrow, Ford, Freibert, Fryman, Gedling, Guenthner, Hancock, Harper, Head, Heleringer, Holbrook, Holloway, Johnson, T. Jones, Lefevers, Lile, Mann, McNutt, Meyer, Moberly, Nett, Noe, O'Brien, Patrick, Pearman, Petty, Rapier, Rattliff, Reinhardt, Riner, Robinson, F. Smith, Thomason, Todd, Turner, Van Horn, Yates.

The motion that the Majority Free Conference Committee Report be adopted, thereby passage of **HB 25** was defeated.

Recess

Representative LeMaster moved that the House recess until 6:30 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day (continued)

The Speaker announced the following members have been appointed to the Conference Committee on **HB 642**: Representatives Bronger, Turner, Crupper.

SB 56 taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative O'Brien moved the adoption of the Free Conference Committee report, thereby passage of **SB 56.**

The Free Conference Committee Report on **SB 56** is as follows:

The free conference committee on **SB 56** has met as provided in the rules of the House and Senate and hereby reports the following to be adopted:
AN ACT relating to elections and declaring an emergency.

SECTION 1. A NEW SECTION OF KRS CHAPTER 118 IS CREATED TO READ AS FOLLOWS:

Each county clerk and the secretary of state shall keep a book in which he shall enter certain information concerning candidates to be chosen by convention. Such book shall include the name, place of residence, office for which the person is a candidate, party designation, and the date of the receipt of the form required to be filed by KRS 118.325(3). Such book shall be a public record.

Section 2. KRS 21A.010 is amended to read as follows:

The Commonwealth is divided into seven (7) Supreme Court districts composed as follows:

(1) First District: Allen, Ballard, Butler, Caldwell, Calloway, Carlisle, Christian, Crittenden, Fulton, Graves, Hickman, Hopkins, Livingston, Logan, Lyon, Marshall, McCracken, McLean, Muhlenberg, Simpson, Todd, Trigg and Webster Counties.

(2) Second District: Barren, Breckinridge, Bullitt, Daviess, Edmonson, Grayson, Hancock, Hardin, Hart, Henderson, Meade, Ohio, Union and Warren Counties.

(3) Third District: Adair, [~~Anderson,~~] Bell, Casey, Clay, Clinton, Cumberland, *Estill, Garrard,* Green, Jackson, Knox, Larue, Laurel, *Lee,* Leslie, Lincoln, Marion, McCreary, Metcalfe, Monroe, Nelson, Owsley, Pulaski, Rockcastle, Russell, [~~Spencer,~~] Taylor, [~~Washington,~~] Wayne and Whitley Counties.

(4) Fourth District: Jefferson County.

(5) Fifth District: *Anderson,* Bourbon, Boyle, Clark, [~~Estill,~~] Fayette, Franklin, [~~Garrard,~~] Jessamine, [~~Lee,~~] Madison, Mercer, [~~Powell,~~] Scott, *Spencer, Washington* and Woodford Counties.

(6) Sixth District: Bath, Boone, Bracken, Campbell, Carroll, Fleming, Gallatin, Grant, Harrison, Henry, Kenton, Lewis, Mason, Nicholas, Oldham, Owen, Pendleton, Robertson, Shelby and Trimble Counties.

(7) Seventh District: Boyd, Breathitt, Carter, Elliott, Floyd, Greenup, Harlan, Johnson, Knott, Lawrence, Letcher, Magoffin, Martin, Menifee, Montgomery, Morgan, Perry, Pike, *Powell,* Rowan and Wolfe Counties.

Section 3. KRS 64.012 is amended to read as follows:

The county clerk shall receive for the following services the following fees:

Recording deed of trust or assignment for the benefit of creditors, provided the entire record thereof does not exceed three pages	$ 5.00
Exceeding three pages, for each page	1.50
Copy and certification of same when ordered	3.50
Each bond required to be taken or prepared by the clerk	2.00
Copy of any bond when ordered	1.50
Recording a bond, each bond	5.00
Receiving the acknowledgment or proof of any deed, mortgage or agreement, power of attorney, or other written instrument required by law to be done and certifying same	1.25
Taking the acknowledgment or proof of a deed of real estate, certifying and recording the same and recording his own certificate, provided the entire record thereof does not exceed three pages	7.00
Exceeding three pages, for each page	1.50
Certified copy of deed	3.50
Recording a mortgage of real estate, certificates, and all services connected with the same, provided the entire record thereof does not exceed three pages	7.00
Exceeding three pages, for each page	1.50
Certified copy of real estate mortgage	3.50
Recording deed of assignment of real estate mortgage	5.00
Noting release of any lien, mortgage or redemption other than a deed of release	2.50
Receiving the acknowledgment, recording and certifying each deed of release of a mortgage or lien under KRS 382.360	5.00
Each additional marginal notation relating to same instrument	2.50
Making a record for the establishment of a city, recording the plan or plat thereof, and all other services incident	10.00
Recording survey of a city, or any part thereof, or any addition to or extensions of the boundary of a city	10.00
Every order concerning the establishment, changing, closing or discontinuing of roads, to be paid out of the county levy when the road is established, changed, closed or discontinued, and by the applicant when it is not	1.00
Administering an oath and certificate thereof	1.00
Issuing license for which no other fee is fixed by law	1.50
Marriage license, bond, certificate and recording	14.00
For filing and indexing an original or continuation financing statement, and noting the security interest on the required receipt for one motor vehicle	6.00
For filing and indexing an assignment of a financing statement	6.00
For filing and noting a statement of release of collateral under a financing statement	1.00
Recording real estate options, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, for each page	1.50
Recording power of attorney or revocation of power of attorney, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, for each page	1.50
Recording plats, maps and surveys, not exceeding 24 inches by 36 inches, per page	10.00
Recording all leases which are recordable by law, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, for each page	1.50
Marginal notation to same instrument	2.50
Filing or recording of certification of intention to operate a business under an assumed name	5.00
Filing a lien on a delinquent motor vehicle or trailer bill	6.00
Releasing a lien on a delinquent motor vehicle or trailer bill	1.50

Filing or recording of mechanic's and artisan's liens under KRS Chapter 376	5.00
Filing or recording of notice of lien issued by the Internal Revenue Service	5.00
Filing or recording of notice of lien discharges issued by the Internal Revenue Service	5.00
Filing or recording of lis pendens notice concerning proceedings in bankruptcy and other lis pendens notices, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, for each page	1.50
Filing or recording United States liens, provided the entire record per lien does not exceed three pages	5.00
Exceeding three pages, for each page	1.50
Filing or recording release of a United States lien, provided the entire record per lien does not exceed three pages	5.00
Exceeding three pages, for each page	1.50
Filing or recording state tax or other state liens, other than liens on delinquent motor vehicles or trailers	5.00
Filing release of a state tax or other state lien, other than a lien on a delinquent motor vehicle or trailer	5.00
Filing notification and declaration and petition of candidates for office	*20.00* [~~5.00~~]
Recording wills or other probate documents under KRS 394.300	5.00
Issuance of fish and game licenses or tags costing more than $1.00 each	.75
Registration of licenses for professional persons required to register with the county clerk	5.00
Recording and issuing articles, statements, or reports of corporations pursuant to KRS Chapters 271A, 272 and 273, including articles of incorporation, amendment, restatement of incorporation, merger, consolidation, or dissolution and statements of establishment of a series of shares, cancellation of a series of shares, reduction of capital, intent to dissolve, revocation of voluntary dissolution, or any other statement or report of a foreign or domestic corporation, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, for each page	1.50
Miscellaneous recordings for which no specific fee is set, provided the entire record thereof does not exceed three pages (except military discharges)	5.00
Exceeding three pages, each additional page	1.50
Filing miscellaneous documents for which no specific fee is set, provided the entire record thereof does not exceed three pages	5.00
Exceeding three pages, each additional page	1.50
Filing certification required by KRS 65.070 (1) (a)	2.00
Certification of franchise tax assessment	2.50

Section 4. KRS 83A.170 is amended to read as follows:

(1) In any city which has under the provisions of KRS 83A.050 required nonpartisan city elections, or in any city of the second class operating under the city manager form of government pursuant to KRS 83A.150, no person shall be elected to city office except as provided in this section.

(2) No person shall be elected to city office without being nominated in the manner provided in this section at a nonpartisan primary election to be held at the time prescribed by law for primary elections generally. Nonpartisan primary elections shall be conducted by the same officers, chosen and acting in the same manner, with the same rights and duties as in regular elections.

(3) Each applicant for nomination shall, *by* at least *the last date prescribed by the election law generally for filing notification and declaration forms with the county clerk,* [~~fifty-five (55) days before the primary election,~~] file with the county clerk a petition signed by at least one percent (1%) of the registered voters in the city or twenty (20) voters, whichever is less. Each voter may sign a slated petition up to the number of offices to be filled for a particular position or may sign individual petitions equal to the number of offices to be filled.[~~,~~] If a voter signs petitions for more candidates than he is authorized then he shall be counted as a petitioner for the candidate whose petition is filed first. The petition shall be in the following form:

"We the undersigned, qualified voters of the City of ________________ request that the name of ________________ be placed before the voters of the city as that of an applicant for nomination for the office of ________________ at the primary election to be held in our city on the *date prescribed by law for primary elections generally* [~~fourth Tuesday in August ,~~ ________]. We know the applicant to be a qualified voter of the city and a person of good character, and he is, in our judgment, qualified for the duties of the office.

Name N Number Street

________________________ ________________________ ________________________

________________________ ________________________ ________________________

____________________ ____________________ ____________________"

The petition shall be verified by the affidavit of some person as to the genuineness of signatures and addresses of the signers. No voter shall sign more than one (1) petition with reference to each applicant. If any voter signs more than one (1) petition of an applicant, the name of that voter shall not be counted as valid on any petition.

(4) The county clerk shall examine the petition of each candidate to determine whether it is regular on its face. If there is an error, the county clerk shall notify the candidate by certified mail within twenty-four (24) hours of filing.

(5) Immediately upon expiration of the time for filing petitions, the county clerk shall have published in accordance with KRS Chapter 424 the names of the applicants as they will appear before the voters at the primary.

(6)[~~(5)~~] Subsection *(5)* [~~(4)~~] of this section shall not apply if it appears, immediately upon expiration of the time for filing petitions, that there are not more than two (2) applicants for nomination for each city office to be filled, or, when the nominations are for city legislative body members in cities electing legislative body members at large, and there are no more than twice the number of applicants for nomination for the number of offices to be filled. In that case, the applicants for nomination shall thereby be nominated and no primary election shall be held for that office.

(7) The ballot position of a candidate shall not be changed after the ballot position has been designated by the county clerk.

(8) If before the time of certification provided in the election law generally, any candidate whose petition has been filed in the office of the county clerk, dies or notifies the county clerk in writing, signed and properly notarized, that he will not accept the nomination, the county clerk shall not certify his name.

(9) If before the ballots are printed, any candidate whose petition has been filed in the office of the county clerk dies or notifies the clerk in writing, signed and properly notarized, that he will not accept the nomination, the clerk shall not cause his name to be printed on the ballot.

(10) If after the ballots are printed, any candidate whose name appears thereon shall die, the county clerk shall cause his name to be blocked out or obliterated from the ballot. The clerk shall not knowingly allow the name of a deceased person to appear on the ballot.

(11)[~~(6)~~] Names of applicants for each nomination shall be placed before the voters of the city. The voters shall be instructed to vote for one candidate, except that they shall be instructed to vote for the number of legislative body members to be elected in cities nominating legislative body members at-large. No party designation or emblem of any kind, nor any sign indicating any applicant's political belief or party affiliation shall be used.

(12)[~~(7)~~] Persons qualified to vote at a regular election are qualified to vote at a nonpartisan primary election and the law applicable to challenges made at a regular election is applicable to challenges made at a nonpartisan primary election.

(13)[~~(8)~~] Votes shall be counted as provided in general election laws and the result shall be published as provided in KRS Chapter 424.

(14)[~~(9)~~] The two (2) applicants receiving the highest number of votes for nomination for each city office shall be nominated, or where the nominations are for city legislative body members in cities electing legislative body members at large, there shall be nominated the number of applicants receiving the highest number of votes equal to twice the number of offices to be filled.

(15) The ballot position of a candidate shall not be changed after the ballot position has been designated by the county clerk.

(16)[~~(10)~~] At the regular election following a nonpartisan primary election, the names of the successful nominees shall be placed before the voters.

(17)[~~(11)~~] The nominee receiving the greater number of votes cast for each city office shall be elected.

(18)[~~(12)~~] General election law prescribing duties of county clerks and other public officers in the conduct of elections shall be applicable in all respects to nonpartisan city elections, except no election officer or other person within a polling place shall tell or indicate to a voter, by word of mouth or otherwise, the political affiliation of any candidate for city office.

Section 5. KRS 116.145 is amended to read as follows:

[~~(1)~~] The fee for registration of all voters shall be paid to the county clerk by the state in the amount of twenty-five cents (25) for each person registered.

[~~(2) The amount of sixty dollars ($60) per precinct shall be paid biennially by the state to the county board of elections in counties containing a city of the first class for the purgation of precincts.~~]

Section 6. KRS 117.025 is amended to read as follows:

(1) The state board of elections shall appoint an executive director, who shall be the chief administrative officer for the board. The board shall also appoint an assistant to the director, who shall be of a different political party than the director. The salaries of the director and his assistant shall be set by the board.

(2) The state board of elections shall employ, on a bipartisan basis, a staff sufficient to carry out the duties assigned to the board, including such legal counsel as is deemed necessary by the board.

(3) The state board shall:

(a) Maintain a complete roster of all qualified registered voters within the state by county and precinct;

(b) Delete the name of any voter who is deceased or who is no longer qualified to vote in the precinct where currently registered as may be provided by law, or who has failed to vote at any primary or regular election for four (4) consecutive years. *Such names shall be deleted between the dates of the general and primary elections. The state board of elections shall*[~~, and~~] notify the local boards of election and the voter of such action and the reason therefor, by the tenth (10th) of the month following such action;

(c) Enter names on the various registration rosters as they are reported by the county boards of election;

(d) Furnish each county clerk with a master list of all registered voters in the county, together with three (3) lists of all registered voters in each precinct of the county, at least five (5) days prior to each election;

(e) Maintain all information furnished to the state board relating to the inclusion or deletion of names from the rosters for four (4) years;

(f) Furnish the state central executive committee of each political party at a reasonable cost qualifying under KRS 118.015 monthly data of all additions, deletions and changes of registration in each precinct of each county and the state central executive committee shall furnish a county listing to each of the county executive committees of each political party;

(g) Purchase, lease or contract for the use of such equipment as may be necessary to properly carry out its duties under the provisions of this chapter and KRS chapters 116 and 118;

(h) Secure information from any source which may assist the board in carrying out the purposes of this section;

(i) Furnish at a reasonable price any and all precinct lists to duly qualified candidates, political party committees or officials thereof, or any committee that advocates or opposes an amendment or public question. The state board of elections may also furnish the precinct lists to other persons at the board's discretion, at a reasonable cost, provided, however the board shall not furnish precinct lists to persons who intend to use such lists for commercial use.

Section 7. KRS 117.075 is amended to read as follows:

(1) Any qualified voter who has not been declared mentally disabled by a court of competent jurisdiction, and who, on account of age, infirmity or illness, is not able to appear at the polls on election day may vote in the following manner. At least seven (7) days prior to the date of the election, he shall present to the clerk by mail or in person his verified statement that his inability to appear is due to age, infirmity, or illness, and indicating whether or not the condition is temporary, applying to the instant election only, or is expected to be a continuing one. [~~If the condition is indicated as being continuing the voter need not file further statements of disability. For ensuing elections the voter may make reference to the statement previously filed when applying for a special ballot. The county clerk shall maintain a file of all such statements.~~] Upon receipt of the verified statement, the clerk shall immediately mail to the voter a special ballot, and envelopes, and the voter shall cast his vote in the same manner as provided for the absent voter in KRS 117.087.

(2) Special ballots cast by disabled persons shall be tabulated in the same manner as are special ballots cast by absent voters.

(3) In case of a medical emergency within seven (7) days or less of an election, a registered voter may apply for an absentee ballot. Such application shall state that the emergency condition occurred within the seven (7) day period and must be notarized. The application form shall be restricted to the use of the voter, the voter's spouse, the voter's parents, or the voter's dependent children. *If the voter has no spouse, parents or dependent children, the application form shall be restricted to the use of the voter or the voter's brother, sister, niece or nephew.* Upon receipt of the application and verification the county clerk shall issue an absentee ballot.

Section 8. KRS 117.145 is amended to read as follows:

(1) At least two (2) days before any special election, and at least *thirty (30)* [~~fifteen (15)~~] days before any primary or regular election, the county clerk of each county shall cause to be printed and ready for use ballot labels for each candidate who, and each question which, is entitled to be voted upon in such election. The ballot labels shall be printed on clear white paper or other material which shall be furnished by the printer. They shall be printed in black ink, in plain, clear type clearly legible to a person with normal vision, and shall be of such size as will fit the ballot frames. The labels shall include the necessary party designations.

(2) Each county clerk shall have printed a sufficient number of special paper ballots. The special ballot shall be used for voting by absent voters; by voters so disabled by age, infirmity or illness as to be unable to appear at the polls; and for voting in an emergency situation. The ballot stubs shall be consecutively numbered and the county board shall keep a record, by number, of all special ballots used for any of the purposes listed herein.

(3) At least three (3) days before a special or regular election the county clerk shall equip the voting machines with the necessary supplies for the purpose of write-in votes. The county clerk shall also attach a pencil or pen to the voting machine for write-in purposes.

(4) If supplemental paper ballots have been approved as provided in KRS 118.215, the county clerk shall cause to be printed a sufficient number of paper ballots for the registered voters of each precinct. The paper ballots shall have stubs which are numbered consecutively. The quality of paper on which the supplemental paper ballots are printed shall be determined by regulations promulgated by the secretary [~~for the department~~] of finance *and administration cabinet.*

Section 9. KRS 118.115 is amended to read as follows:

Candidates for unexpired terms to be filled at a regular election shall be nominated at the primary next preceding the regular election, if the vacancy occurred not less than *one hundred five (105)* [~~seventy (70)~~] days before the primary. If the vacancy occurred less than *one hundred five (105)* [~~seventy (70)~~] days before the primary, the nomination shall be made in a manner determined by the governing authority of the political party concerned. In the preparation of ballots, candidates for full terms shall be grouped together, and candidates for unexpired terms shall be grouped together, under appropriate headings, so that the voter may easily distinguish the candidates for full terms from the candidates for unexpired terms.

Section 10. KRS 118.165 is amended to read as follows:

(1) Candidates for offices to be voted for by the electors of one county or of a district less than one county, except members of congress and members of the general assembly, shall file their nomination papers

with the county clerk of the county not less than *seventy-five (75)* [~~ninety (90)~~] days before the day fixed by law for holding the primary election. Candidates for [~~all state~~] offices *to be voted for by the electors of more than one county, and for members of congress and members of the general assembly,* shall file their nomination papers with the secretary of state not less than *seventy-five (75)* [~~ninety (90)~~] days before the day fixed by law for holding the primary election.

(2) The secretary of state or the county clerk shall examine the notification and declaration form of each candidate *to determine whether it is regular on its face.* The proper officer shall notify the candidate by regular mail within twenty-four (24) hours of filing that his papers have been certified. If there is an error the officer shall notify the candidate by certified mail within twenty-four (24) hours of filing. [~~Upon receipt of such notice, the candidate shall correct such error not later than seventy-two (72) hours after the filing deadline.~~]

Section 11. KRS 118.165 is amended to read as follows:

(1) Candidates for offices to be voted for by the electors of one county or of a district less than one county, except members of congress and members of the general assembly, shall file their nomination papers with the county clerk of the county not less than ninety (90) days before the day fixed by law for holding the primary election. Candidates for [~~all state~~] offices *to be voted for by the electors of more than one (1) county, and for members of congress and members of the general assembly,* shall file their nomination papers with the secretary of state not less than ninety (90) days before the day fixed by law for holding the primary election.

(2) The secretary of state or the county clerk shall examine the notification and declaration form of each candidate *to determine whether it is regular on its face.* The proper officer shall notify the candidate by regular mail within twenty-four (24) hours of filing that his papers have been certified. If there is an error the officer shall notify the candidate by certified mail within twenty-four (24) hours of filing. [~~Upon receipt of such notice, the candidate shall correct such error not later than seventy-two (72) hours after the filing deadline.~~]

Section 12. KRS 118.212 is amended to read as follows:

(1) If before the time of certification provided in KRS 118.215, any candidate whose *notification and declaration or* certificate or petition of nomination has been filed in the office of the secretary of state *dies or* notifies the secretary of state in writing, signed and properly notarized that he will not accept the nomination *or election,* the secretary of state shall not certify his name.

(2) If before the ballots are printed, any candidate whose *notification and declaration or* certificate or petition of nomination has been filed in the office of the county clerk *dies or* notifies the clerk, in the manner described in subsection (1) of this section, that he will not accept the nomination *or election,* the clerk shall not cause his name to be printed on the ballot.

(3) If after the ballots are printed, any candidate whose name appears thereon shall die, the county clerk shall cause his name to be blocked out or obliterated from the ballot. The clerk shall not knowingly allow the name of a deceased person to appear on an election ballot.

Section 13. KRS 118.215 is amended to read as follows:

(1) Not less than *eighty (80)* [~~forty-five (45)~~] days before a primary or *sixty (60) days before a* regular election is to be held, and after the order of the names has been determined as provided in KRS 118.225, the secretary of state shall certify, to the county clerks of the respective counties entitled to participate in the nomination or election of the respective candidates, the name, place of residence and party of each candidate for each office, as specified in the nomination papers or certificates and petitions of nomination filed with him, and shall designate the device *with* [~~under~~] which the candidate groups or lists of candidates of each party shall be printed, in the order in which they are to appear on the ballot, with precedence to be given to the party that polled the highest number of votes at the preceding election for presidential electors, followed by the political party which received the second highest number of votes with the order of any other political parties and independents to be determined by lot. Candidates for county offices and local state offices shall be listed in the following order: commonwealth's attorney, circuit clerk, property valuation administrator, county judge/executive, county attorney, county clerk, sheriff, jailer, county commissioner, coroner, justice of the peace and constable. The names of candidates for president and vice president shall be certified in lieu of certifying the names of the candidates for presidential electors.

(2) All independent candidates whose nominating petitions are filed with the county clerk shall be *designated by* [~~listed under~~] the word "independent," *and shall be placed on the ballot* in *a separate* [~~one~~] column *or columns or in a separate line or lines* according to the office which they seek. The order in which independent candidates shall appear on the ballot shall be determined by lot by the county clerk. If the same device is selected by two groups of petitioners, it shall be given to the first selecting it and the county clerk shall permit the other group to select a suitable device. This section does not apply to candidates for municipal offices which comes under subsection (3) of this section.

(3) The ballots used at any election in which city officers are to be elected as provided in subsection (2) of this section shall contain the names of candidates for such city offices grouped according to the offices they seek, and such candidates shall be immediately arranged *with and designated by* [~~under and beneath~~] the title of office such candidates seek. The order in which the names of the candidates for each office are to be printed on the ballot shall be determined by lot. Each group of candidates for each separate office for which such candidates are to be elected shall be *clearly* separated from *other* [~~the preceding or succeeding~~] groups *on* [~~by a line transversing~~] the [~~entire~~] ballot and spaced so as to avoid confusion on the part of the voter.

(4) The secretary of state shall not knowingly certify to the county clerk of any county the name of any candidate who has not filed the required nomination papers, nor knowingly fail to certify the name of any candidate who has filed the required nomination papers.

(5) If the county clerk determines that the number of certified candidates cannot be placed on a ballot which can be accommodated by the voting machines currently in use by the county, he shall so notify the state board of elections not less than *sixty (60)* [~~35~~] days before the primary or *forty (40) days before the* general election. The state board of elections shall meet within 5 days of such notice, review the ballot conditions and determine whether or not supplemental paper ballots are necessary for the election. Upon approval of the state board of elections, supplemental paper ballots may be used for nonpartisan candidates for an office or offices and public questions submitted for a yes or no vote, provided that all candidates for any particular office shall be placed either on the machine ballot or on the paper ballot.

(6) The ballot position of a candidate shall not be changed after the ballot position has been designated by the county clerk.

Section 14. KRS 118.225 is amended to read as follows:

(1) For the purpose of determining the order in which the names of candidates to be voted for by the electors of the entire state shall be certified and printed on the ballots *with* [~~under~~] the designation of the respective offices, the secretary of state shall prepare lists of the counties of each congressional district of the state. He shall then arrange the surnames of all candidates for each office in alphabetical order for the first congressional district, and the names shall be certified in this order to the county clerks of all the counties comprising that district. For each succeeding congressional district, taken in numerical order, the name appearing first for each office in the last preceding district shall be placed last, and the name appearing second in the last preceding district shall be placed first, and each other name shall be moved up one (1) place. The lists shall be certified accordingly.

(2) For all other offices for which nomination papers and petitions are filed with the secretary of state, the order of names of candidates for each office shall be determined by lot at a public drawing to be held in the office of the secretary of state at 2:00 p.m., standard time, *eighty-eight (88)* [~~fifty-three (53)~~] days before the primary [~~or general~~] election *or sixty-eight (68) days before the general election.*

(3) For all offices for which nomination papers and petitions are filed in the office of the county clerk, the order in which the names of candidates for each office are to be printed on the ballot shall be determined by lot at a public drawing in the office of the county clerk at 2:00 p.m., standard time, *eighty-eight (88)* [~~fifty-three (53)~~] days before the primary [~~or general~~] election *or sixty-eight (68) days before the general election.*

(4) If the number of certified candidates cannot be placed on a ballot which can be accommodated on voting machines currently in use in the county, the county clerk shall notify the state board of elections, as provided in KRS 118.215.

Section 15. KRS 118.245 is amended to read as follows:

The candidate receiving the highest number of votes in a primary election for the office for which he is a candidate shall be the nominee of his party for that office and shall receive the certificate of nomination. If two (2) or more persons are found to have received the highest and an equal number of votes for nomination to the same office, the election shall be determined by lot in such manner as the board directs, in the presence of not less than three (3) other persons. [~~This section does not apply to presidential primaries.~~]

Section 16. KRS 118.305 is amended to read as follows:

(1) Except as provided in KRS 118.345, and subject to the provisions of subsections (2) and (3) of this section, the county clerk of each county shall cause to be printed for the voting machines and on the special ballots for the regular election the names of the following persons:

(a) Candidates of a political party, as defined in KRS 118.015, who have received certificates of nomination at the preceding primary election, or certificates of nomination under KRS 118.185, and whose certificates of nomination have been filed with the secretary of state or the appropriate county clerk.

(b) Candidates of a political party, as defined in KRS 118.015, who have been nominated for an unexpired term in a manner determined by the governing authority of the party, as provided in KRS 118.115, and whose evidences of nomination have been filed with the secretary of state or the appropriate county clerk within the time prescribed in this chapter.

(c) Candidates of a political party, as defined in KRS 118.015, who have been nominated by the governing authority of the party to fill a vacancy in the candidacy of a person nominated at the preceding primary election, as provided in KRS 118.105, and whose certificates of nomination have been filed with the secretary of state or the appropriate county clerk, *by* at least *the date provided by the election law generally for such filing* [~~fifty-five (55) days before the regular election~~].

(d) Candidates who have been nominated by a political organization as provided in KRS 118.325 and whose certificates or petitions of nomination have been filed with the secretary of state or the appropriate county clerk within the time prescribed in this chapter.

(e) Independent candidates who have been nominated by petition as provided in KRS 118.315, and whose petitions of nomination have been filed with the secretary of state or the appropriate county clerk within the time prescribed in this chapter.

(f) Where a vacancy in a candidacy occasioned by the death, removal or resignation of a candidate before the election and after the ballot labels have been prepared is filled by the chairman of the state, district or county political organization as provided by law, the chairman shall furnish to the county clerk a sufficient number of printed ballot labels bearing the name of the new candidate to replace those bearing the name of the candidate with respect to which the vacancy has occurred. If such ballot labels are furnished to the clerk before the machines are delivered to the election precincts, the clerk shall cause them to be inserted in the proper ballot frames. If they are furnished after the machines have been delivered to the election precincts, the county clerk shall cause the ballot labels to be delivered to the clerk of each precinct, with directions as to insertion in the proper ballot frames.

(g) Candidates for president and vice-president of the United States, of those political parties and organizations who have nominated presidential electors as provided in KRS 118.325, where the certificate of nomination of such electors has been filed with the secretary of state within the time prescribed in this chapter.

(h) Candidates for soil and water district supervisors who have been nominated by petition as provided in KRS 262.210.

(2) Candidates for members of boards of education shall have their names printed on ballot labels and special ballots for the regular election only after filing as provided in KRS 160.220.

(3) Except as provided in KRS 118.105 and 118.115, the name of no candidate shall be printed upon the ballot labels and special ballots for any regular election as the nominee of any political party, as defined in KRS 118.015, or under the emblem of any political party, as so defined, except those candidates who have been duly and regularly nominated as nominees of that party at a primary election held as provided in this chapter.

(4) No county clerk shall knowingly cause to be printed, upon the ballot labels or special ballot for

any regular election, the name of any candidate of a political party, as defined in KRS 118.015, who has not been nominated in the manner provided in the primary election laws.

(5) The names of candidates for president and vice-president shall be certified in lieu of certifying the names of the candidates for presidential electors.

(6) Whenever a vacancy occurs in an elective office which is required by law to be filled temporarily by appointment, the officer or body designated by law to make the appointment, or in the case of an office to be filled by appointment from a list of nominations, the officer or body designated by law to make the nominations, shall immediately notify in writing both the county clerk and secretary of state of the vacancy.

Section 17. KRS 118.315 is amended to read as follows:

(1) A candidate for any office to be voted for at any regular election may be nominated by a petition of electors qualified to vote for him, complying with the provision of subsection (2) of this section.

(2) A petition of nomination for a state officer, or any officer for whom all the electors of the state are entitled to vote, shall contain five thousand (5,000) petitioners; for a representative in congress from any congressional district, or for any officer from any other district except as herein provided, four hundred (400) petitioners; for a county officer or member of the general assembly, one hundred (100) petitioners; for a soil and water conservation district supervisor, twenty-five (25) petitioners; for an officer of a precinct or ward, or other division less than a county except as herein provided, twenty (20) petitioners. The signatures of the petition need not be appended to one (1) paper. No petitioner shall be counted unless his residence, social security number and post-office address are designated. If any person joins in nominating, by petition, more than one (1) nominee for any office to be filled, he shall be counted as a petitioner for the candidate whose petition is filed first, except a petitioner for the nomination of candidates for soil and water conservation district supervisors may be counted for every petition to which his signature is affixed. The petition shall state the name and residence of each of the candidates, the name of the office for which he is running, the district, if applicable, from which he is running, that he is legally qualified to hold the office, and that the subscribers desire, and are legally qualified, to vote for the candidate. The petition shall designate a brief name or title of the party or principle that the candidate represents, together with any simple figure or device by which it is desired that he be designated on the voting machines. This does not apply to municipal and school board races.

(3) Titles, ranks or spurious phrases shall not be accepted on the filing papers and shall not be printed on the ballots as part of the candidate's name; however, nicknames, initials and contractions of given names may be accepted as the candidate's name.

(4) *The secretary of state and county clerks shall examine the petitions of all candidates who file with them to determine whether each petition is regular on its face. If there is an error, the secretary of state or the county clerk shall notify the candidate by certified mail within twenty-four (24) hours of filing.*

(5) The state board of elections shall prescribe the forms for the petition.

Section 18. KRS 118.325 is amended to read as follows:

(1) Any political organization not constituting a political party within the meaning of KRS 118.015 but which cast two percent (2%) of the vote of the state at the last preceding election for presidential electors may nominate, by a convention or primary election held by the party in accordance with its constitution and bylaws, candidates for any offices to be voted for at any regular election, except the office of member of a board of education, for which nominations shall be made as provided in KRS 160.220. Any political party, as defined in KRS 118.015, may nominate candidates for members of the legislative bodies of cities of the fifth and sixth classes in the same manner. Any political party, as defined in KRS 118.015, and any political organization not constituting such a political party but which cast two percent (2%) of the vote of the state at the last preceding election for presidential electors, may nominate, by a convention or primary election held by the party or organization in accordance with its constitution and bylaws, as many electors of president and vice president of the United States as this state is entitled to elect.

(2) The certificate of nomination by such a convention or primary election shall be in writing, shall contain the name of each person nominated, his residence and the office to which he is nominated, and shall designate a title for the party or principle that such convention or primary election represents, together with any simple figure or device by which its list of candidates may be designated on the voting machines. The

certificate shall be signed by the presiding officer and secretary of the convention, or by the chairman and secretary of the county, city or district committee, who shall add to their signatures their respective places of residence, and acknowledge the same before an officer duly authorized to administer oaths. A certificate of the acknowledgment shall be appended to the certificate of nomination. In the case of electors of president and vice president of the United States the certificate of nomination shall state the names of the candidates of the party for president and vice president.

(3) *Any person desiring to become a candidate for an office, the nomination to which is to be made by a convention pursuant to subsections (1) and (2) of this section, except for the office of elector of president and vice-president of the United States, shall file a statement with the official designated in KRS 118.165 with whom notification and declaration forms are filed for the office. The statement shall be prescribed by the state board of elections to be subscribed and sworn to by the person making it, before an officer authorized to administer an oath, such form to include the name, place of residence, and the party and office for which he desires to become a candidate. Such statement shall be subscribed and sworn to by the person making it before an officer authorized to administer an oath. Such statement shall be filed as prescribed by KRS 118.365.*

(4) If the certificate of nomination of any state convention requests that the figure or device selected by such convention be used to designate the candidates of such party on the voting machines for all elections throughout the state, that figure or device shall be used until changed by request of a subsequent state convention of the same party. The device may be any appropriate symbol other than the coat of arms or seal of this state or of the United States, the national flag, or any other emblem common to the people at large.

(5)[~~(4)~~] In case of death, resignation or removal of any such candidate subsequent to nomination and before the ballot labels are printed, the chairman of the state, county or city district committee shall fill the vacancy, unless a supplemental certificate or petition of nomination is filed. In the case of electors of president and vice president of the United States, a vacancy may be filled by the chairman of the state committee at any time before the meeting of the electors, whether the vacancy occurs before or after the election.

(6)[~~(5)~~] If any political party entitled to nominate by convention fails to do so, the names of all nominees by petition for any office who are designated in their petition as members and candidates of that party shall be printed under the device and title on the voting machines as if nominated by a convention. If two (2) or more persons who have filed certificates of nomination under this section claim to be the nominee of the same political party, the governing authority of that party shall designate to the secretary of state and county clerk, in writing, which of the candidates is entitled to the party emblem. If there are two (2) or more contending executive committees of the same party in the county or district, the county or district executive committee that is recognized by the state governing authority of the party, by the written certificate of its chairman, shall be recognized by the secretary of state and county clerk.

Section 19. KRS 118.345 is amended to read as follows:

(1) No candidate who has been defeated for the nomination for any office in a primary election shall have his name placed on voting machines in the succeeding regular election as a candidate for the same office for the nomination to which he was a candidate in the primary election, except that if a vacancy occurs in the party nomination for which he was a candidate in the primary election his name may be placed on voting machines for the regular election as a candidate of that party if he has been duly made such party nominee after the vacancy occurs as provided in KRS 118.105.

(2) No person who was a candidate for nomination for any office in a primary election and who, before the succeeding regular election, is declared by the judgment of any court of competent jurisdiction to have violated, in the primary election, any provision of KRS chapter 121, or to be responsible for such violation by others, shall have his name placed on voting machines for any office to be voted for in the succeeding regular election.

[~~(3) This section does not apply to presidential preference primary candidates.~~]

Section 20. KRS 118.365 is amended to read as follows:

(1) Certificates of nomination issued by the state board of elections shall be filed by that board with the secretary of state immediately. Such certificates issued by the county board of elections shall be filed by that board with the county clerk immediately.

(2) Certificates of nomination made by the governing authority of a party to fill vacancies in office, as provided in KRS 118.115, shall, [~~when required to be filed with the secretary of state,~~] be filed *as required with the secretary of state or county clerk* not less than *seventy (70)* [~~fifty-five (55)~~] days before the day fixed by law for the election of the person in nomination. [~~When required to be filed with the county clerk, they shall be filed not less than fifty-five (55) days before the day fixed by law for the election of the person in nomination.~~]

(3) Petitions and certificates of nomination *shall*[~~, when required to~~] be filed *as required* with the secretary of state *or county clerk*[~~, shall be filed~~] not less than *seventy (70)* [~~fifty-five (55)~~] days before the day fixed by law for the holding of regular elections. [~~When required to be filed with the county clerk, they shall be filed not less than fifty-five (55) days before the day fixed by law for holding of regular elections.~~]

(4) Petitions and certificates of nomination for electors of president and vice president of the United States shall be filed with the secretary of state not less than *seventy (70)* [~~fifty-five (55)~~] days prior to the date fixed by law for the election of such electors.

Section 21. KRS 118.365 is amended to read as follows:

(1) Certificates of nomination issued by the state board of elections shall be filed by that board with the secretary of state immediately. Such certificates issued by the county board of elections shall be filed by that board with the county clerk immediately.

(2) *Petitions of nomination for candidates to offices which are prohibited from utilizing a primary shall be filed with the county clerk not less than seventy (70) days before the day fixed by law for the holding of regular elections.*

(3) Statements of candidates for an office, the nomination to which is to be made by a convention pursuant to KRS 118.325(1) and (2), except for the office of electors of president and vice-president of the United States, shall file such statements as are required by KRS 118.325(3), with the official designated in KRS 118.165 with whom notification and declaration are filed for the office, not less than the date provided by the election laws generally for filing notification and declaration forms.

(4) Certificates of nomination made by the governing authority of a *political* party *within the meaning of KRS 118.015 or a political organization not constituting a political party within the meaning of KRS 118.015 but which cast two percent (2%) of the vote of the state at the last preceding election for presidential electors* to fill vacancies in office, as provided in KRS 118.115 *and KRS 118.325*, shall[~~, when required to be filed with the secretary of state,~~] be filed *as required with the secretary of state or county clerk* not less than *seventy (70)* [~~fifty-five (55)~~] days before the day fixed by law for the election of the person in nomination. [~~When required to be filed with the county clerk, they shall be filed not less than fifty-five (55) days before the day fixed by law for the election of the person in nomination.~~] *(5) Petitions of independent candidates to fill a vacancy which has occurred less than the number of days prior to a primary as provided in KRS 118.375 and prior to seventy (70) days before the general election, shall be filed by such petitions not later than seventy (70) days prior to the general election.*

(6)[~~(3)~~] Petitions [~~and certificates~~] of nomination *shall*[~~, when required to~~] be filed *as required* with the secretary of state *or county clerk*[~~, shall be filed~~] not less than *ninety (90)* [~~fifty-five (55)~~] days before the day fixed by law for the holding of *primary* [~~regular~~] elections. *Certificates of nomination shall be filed with the secretary of state or county clerk, as required by law, not less than seventy (70) days before the day* [~~When required to be filed with the county clerk, they shall be filed not less than fifty-five (55) days before the day~~] fixed by law for *the* holding of *general* [~~regular~~] elections.

(7)[~~(4)~~] Petitions and certificates of nomination for electors of president and vice president of the United States shall be filed with the secretary of state not less than *seventy (70)* [~~fifty-five (55)~~] days prior to the date fixed by law for the election of such electors.

Section 22. KRS 118.375 is amended to read as follows:

Where a vacancy occurs in any elective office less than *one hundred five (105)* [~~seventy (70)~~] days before the primary or at any time after the primary, but not less than three (3) months before the general election, independent candidates may file their petitions at the time and place provided for in KRS 118.365.

Section 23. KRS 118.415 is amended to read as follows:

(1) *When* [~~Whenever~~] an amendment to the constitution has been proposed by the general assembly, the secretary of state shall cause the text of the proposed amendment to be published at least two (2) times in two (2) newspapers of general circulation published in this state, and shall also cause to be published at the same time and in the same manner the fact that the amendment will be submitted to the voters for their acceptance or rejection at the next regular election at which members of the general assembly are to be voted for. The publication shall be made at least *one hundred (100)* [~~ninety (90)~~] days preceding the election at which the amendment is to be voted on.

(2) The attorney general shall state the substance of the amendment in the form of a question in a manner calculated to inform the electorate of the substance of the amendment, and shall certify the question to the state board of elections to be placed on the voting machine. The state board of elections, not less than *seventy (70)* [~~forty-five (45)~~] days before the next regular election at which members of the general assembly are to be chosen, shall certify the substance of the amendment, as stated and certified by the attorney general, to the county clerk of each county, and the county clerk shall have the substance of the amendment, as so certified, indicated on the voting machines.

(3) The votes cast for and against the amendment shall be counted, canvassed and certified to the state board of elections in the same manner as the votes cast for any officer elective by the votes of the whole state. If a majority of the votes cast on the question are for the amendment, it shall become a part of the constitution.

(4) The expenses of the publications provided for in this section shall be paid as are the expenses of other publications that the secretary of state is required to make in connection with elections.

Section 24. KRS 118.425 is amended to read as follows:

(1) The state board of elections shall issue certificates of election where the successful candidate was voted for by the state at large or by a district greater than one (1) county, or was a candidate for member of congress or the general assembly.

(2) The county board of elections shall issue certificates of election where the successful candidate was voted for by the electors of one (1) county, or of a district less than one (1) county, except members of congress, members of the general assembly and designated officers filing with the state board of elections. The board shall forward the certificate to the elected candidate. If the board finds that two (2) or more candidates have received the highest and equal number of votes for the same office, the board shall determine by lot which of the candidates is elected.

(3) In the case of *all* offices voted for [~~by the state at large or by a district greater than one (1) county, and for members of congress and members of the general assembly~~], and in the case of public questions submitted to the vote of the people of the state at large or of a district greater than one (1) county, the county board of elections shall make out duplicate certificates of the total number of votes received by each of the candidates for such office and the total number of votes for and against each of such questions. The clerk shall keep one (1) of the certificates in his office. He shall not later than three (3) days after receiving such certificate from the board, forward the other certificate by mail to the secretary of state who shall deliver it to the state board of elections.

(4) The state board of elections shall meet, to count and tabulate the votes received by the different candidates as certified to the secretary of state, when the returns are all in, or on the second Monday after the election whether they are in or not, but if all the returns are not made, the right to contest an election shall not be impaired. Any two (2) of the members of the board may act in the absence of the third. The board shall make out the certificates of election in the office of the board, from the returns made. The board shall make out duplicate certificates of election, in writing, over the signatures of its members. The board shall forward the original certificate, by mail, to the elected candidate. The duplicate shall be retained in the office of the board. In the case of the election of a representative in congress, an additional certificate shall be made and sent, by mail, to the clerk of the house of representatives.

(5) The certificate of election shall be issued to the candidate receiving the highest number of votes in the territory from which the election is to be made. If two (2) or more persons are found to have received the highest and an equal number of votes for the same office, the election shall be determined by lot in such manner as the board directs, in the presence of not less than three (3) other persons. In the case of elections for electors of president and vice president of the United States, the board shall issue a certificate of election

to each elector of the political party or organization whose candidates for president and vice president received the highest number of votes and the determination by the board that the candidates of any political party or organization for president and vice president have received the highest number of votes shall constitute a determination that the electors nominated by that party have been elected.

Section 25. KRS 118A.060 is amended to read as follows:

(1) Except as provided in KRS 118A.100 and 118A.110, no person's name shall appear on a ballot label or special ballot for an office of the Court of Justice without first having been nominated as provided in this section.

(2) Each candidate for nomination shall file a petition for nomination with the secretary of state not less than *ninety (90)* [~~fifty-five (55)~~] days before the day fixed by law for holding the primary election.

(3) The petition for nomination shall state the name and residence of the candidate and shall describe, by district or circuit, and by numbered division thereof if divisions exist, the office for which he seeks nomination. It shall be signed by him and by not less than two (2) registered voters from the district or circuit from which he seeks nomination. The petition shall be in the form prescribed by the state board of elections. Titles, ranks or spurious phrases shall not be accepted on the petition and shall not be printed on the ballots as part of the candidate's name; however, nicknames, initials and contractions of given names may be acceptable as the candidate's name.

(4) *The secretary of state shall examine the petition of each candidate to determine whether it is regular on its face. If there is an error, the secretary of state shall notify the candidate by certified mail within twenty-four (24) hours of filing.* The order of names on the ballot for each district or circuit, and numbered division thereof if divisions exist, shall be determined by lot at a public drawing to be held in the office of the secretary of state at 2:00 p.m., standard time, *eighty-eight (88)* [~~fifty-three (53)~~] days before the primary election.

(5) *If before the time of certification provided in subsection (6) of this section, any candidate whose petition of nomination has been filed in the office of the secretary of state, dies or notifies the secretary of state in writing, signed and properly notarized, that he will not accept the nomination, the secretary of state shall not certify his name.*

(6) Not less than *eighty (80)* [~~forty-five (45)~~] days before the primary election, and after the order of names on the ballot has been determined as required in subsection (4), the secretary of state shall:

(a) Certify to the county clerks of the respective counties entitled to participate in the election of the various candidates, the name and place of residence of each candidate for each office, by district or circuit, and numbered division thereof if divisions exist, as specified in the petitions for nomination filed with him; and

(b) Designate for the county clerks the office of the Court of Justice *with* [~~under~~] which the names of candidates shall be printed and the order in which they are to appear on the ballot.

(7) The ballot position of a candidate shall not be changed after the ballot position has been designated by the county clerk.

(8)[~~(6)~~] The county clerks of each county shall cause to be printed on the ballot labels for the voting machines and on the special ballots for the primary the names of the candidates for offices in the Court of Justice.

(9) If before the ballots are printed, any candidate whose certificate of nomination has been filed dies or notifies the county clerk in writing, signed and properly notarized that he will not accept the nomination, the county clerk shall not cause his name to be printed on the ballot.

(10) If after the ballots are printed, any candidate whose name appears thereon shall die, the county clerk shall cause his name to be blocked out or obliterated from the ballot. The clerk shall not knowingly allow the name of a deceased person to appear on an election ballot.

(11)[~~(7)~~] The names of the candidates shall be placed on the voting machine in a separate column or *columns or in a separate* line *or lines and identified* [~~headed or preceded~~] by the words "Judicial Ballot."

[~~Above the names of candidates for nomination shall be printed~~] The words "Vote for one," or "Vote for one in each division," *shall be printed on the ballot in an* [~~as~~] appropriate *location*. The office, numbered division thereof if divisions exist, and the candidates therefor shall be clearly labelled. No party designation or emblem of any kind, nor any sign indicating any candidate's political belief or party affiliation, shall be used on voting machines or special ballots.

(12)[~~(8)~~] The two (2) candidates receiving the highest number of votes for nomination for justice or judge of a district or circuit, or numbered division thereof if divisions exist, shall be nominated. Certificates of nomination shall be issued as provided in KRS 118A.190.

(13)[~~(9)~~] If it appears after expiration of the time for filing petitions for nomination that there are not more than two (2) candidates who have filed the necessary petitions for a place on the ballot in the regular election, the secretary of state shall immediately issue and file in his office certificates of nomination, and send copies to the candidates.

Section 26. KRS 118A.090 is amended to read as follows:

(1) For the regular election, the order of names on the ballot for each district or circuit, and numbered division thereof if divisions exist, shall be determined by lot at a public drawing to be held in the office of the secretary of state at 2:00 p.m., standard time, *sixty-eight (68)* [~~fifty-three (53)~~] days before the regular election.

(2) *If before the time of certification provided in subsection (3) of this section, any candidate whose certificate of nomination has been filed in the office of the secretary of state, dies or notifies the secretary of state in writing, signed and properly notarized, that he will not accept the election, the secretary of state shall not certify his name.*

(3) Not less than *sixty (60)* [~~forty-five (45)~~] days before the regular election, and after the order of names on the ballot has been determined as required in subsection (1), the secretary of state shall:

(a) Certify to the county clerks of the respective counties entitled to participate in the election of the various candidates, the name and place of residence of each candidate for each office, by district or circuit, and numbered division thereof if divisions exist, as certified under KRS 118A.060; and

(b) Designate for the county clerks the office of the Court of Justice *with* [~~under~~] which the names of candidates shall be printed and the order in which they are to appear on the ballot.

(4)[~~(3)~~] *The ballot position of a candidate shall not be changed after the ballot position has been designated by the county clerk.* The county clerks of each county shall cause to be printed on the ballot labels for the voting machines and on the special ballots for the regular elections the names of the candidates for offices of the Court of Justice.

(5) If before the ballots are printed, any candidate whose certificate of nomination has been filed dies or notifies the county clerk in writing, signed and properly notarized that he will not accept the election, the county clerk shall not cause his name to be printed on the ballot.

(6) If after the ballots are printed, any candidate whose name appears thereon shall die, the county clerk shall cause his name to be blocked out or obliterated from the ballot. The clerk shall not knowingly allow the name of a deceased person to appear on an election ballot.

(7)[~~(4)~~] The names of the candidates shall be placed on the voting machine in a separate column or *columns or in a separate* line *or lines and identified* [~~headed or preceded~~] by the words "Judicial Ballot," and in such a manner that the casting of a vote for all of the candidates of a political party will not operate to cast a vote for judicial candidates. [~~Above the names of the candidates shall be printed~~] The words "Vote for one" or "Vote for one in each division," *shall be printed on the ballot in an* [~~as~~] appropriate *location*. The office, numbered division thereof if divisions exist, and the candidates therefor shall be clearly labelled. No party designation or emblem of any kind, nor any sign indicating any candidate's political belief or party affiliation, shall be used on voting machines or special ballots.

(8)[~~(5)~~] The candidate receiving the highest number of votes cast at the regular election for a district or circuit, or for a numbered division thereof if divisions exist, shall be elected.

Section 27. KRS 118A.100 is amended to read as follows:

(1) Candidates for an unexpired term of a judicial office to be filled at a regular election shall be nominated at the primary next preceding the regular election in the manner prescribed in KRS 118A.060 if the vacancy occurs not less than *one hundred five (105)* [~~seventy (70)~~] days before the primary. If the vacancy occurs on or after the *one hundred fifth* [~~seventieth~~] day before the primary, the election to fill the unexpired term shall be held in accordance with the procedures described in this section and section 152 of the Constitution of Kentucky.

(2) If in a regular election for judicial office no candidates nominated as provided in KRS 118A.060 are available due to death, incapacity or withdrawal, *and such candidates have not been replaced as provided in KRS 118A.060,* the election to fill the regular term shall be conducted in the manner prescribed in subsections (3) through *(10)* [~~(9)~~] of this section.

(3) Each candidate shall file a petition for candidacy with the secretary of state at least *seventy (70)* [~~fifty-five (55)~~] days before the day fixed by law for holding the regular election.

(4) The petition for candidacy shall state the name and residence of the candidate and shall describe by district or circuit, and numbered division thereof if divisions exist, the judicial office for which he seeks election. It shall be signed by him and not less than two (2) registered voters from the district or circuit from which he seeks candidacy. The petition shall be in the form prescribed by the state board of elections. Titles, ranks or spurious phrases shall not be accepted on the petition and shall not be printed on the ballots as part of the candidate's name; however, nicknames, initials and contractions of given names may be acceptable as the candidate's name.

(5) *The secretary of state shall examine the petition of each candidate to determine whether it is regular on its face. If there is an error, the secretary of state shall notify the candidate by certified mail within twenty-four (24) hours of filing.*

(6) The order of names on the ballot for each district or circuit, and numbered division thereof if divisions exist, shall be determined by lot at a public drawing to be held in the office of the secretary of state at 2:00 p.m., standard time, *sixty-eight (68)* [~~fifty-three (53)~~] days before the regular election.

(7) If before the time of certification provided in subsection (8) of this section, any candidate whose petition for candidacy has been filed in the office of the secretary of state, dies or notifies the secretary of state in writing, signed and properly notarized, that he will not accept the election, the secretary of state shall not certify his name.

(8)[~~(6)~~] Not less than *sixty (60)* [~~forty-five (45)~~] days before the regular election, and after the order of names on the ballot has been determined as required in subsection *(6)* [~~(5)~~], the secretary of state shall:

(a) Certify to the county clerks of the respective counties entitled to participate in the election of the various candidates, the name and place of residence of each candidate for each office, by district or circuit, and numbered division thereof if divisions exist, as specified in the petitions for candidacy filed with him; and

(b) Designate for the county clerks the office of the Court of Justice *with* [~~under~~] which the names of candidates shall be printed and the order in which they are to appear on the ballot.

(9) The ballot position of a candidate shall not be changed after the ballot position has been designated by the county clerk.

(10)[~~(7)~~] The county clerks of each county shall cause to be printed on the ballot labels for the voting machines and on the special ballots for the regular election the names of the candidates for offices of the Court of Justice.

(11) If before the ballots are printed, any candidate whose petition for candidacy has been filed dies or notifies the county clerk in writing, signed and properly notarized that he will not accept the election, the county clerk shall not cause his name to be printed on the ballot.

(12) If after the ballots are printed, any candidate whose name appears thereon shall die, the county clerk shall cause his name to be blocked out or obliterated from the ballot. The clerk shall not knowingly allow

the name of a deceased person to appear on an election ballot.

(13)[~~(8)~~] The names of the candidates shall be placed on the voting machine in a separate column or *columns or in a separate* line *or lines and identified* [~~headed or preceded~~] by the words "Judicial Ballot," and in such a manner that the casting of a vote for all of the candidates of a political party will not operate to cast a vote for judicial candidates. [~~Above the names of the candidates shall be printed~~] The words "Vote for one" or "Vote for one in each division," *shall be printed on the* [~~as~~] appropriate *location.* The office, numbered division thereof if divisions exist, and the candidates therefor shall be clearly labelled. No party designation or emblem of any kind, nor any sign indicating any candidate's political belief or party affiliation, shall be used on voting machines or special ballots.

(14)[~~(9)~~] The candidate receiving the highest number of votes cast at the regular election for a district or circuit, or for a numbered division thereof if divisions exist, shall be elected.

Section 28. KRS 118A.110 is amended to read as follows:

The initial election of judges to the Court of Appeals shall be conducted in the regular election of 1976 without a primary election and in the manner prescribed in subsections (3) through *(12)* [~~(9)~~] of KRS 118A.100.

Section 29. KRS 262.210 is amended to read as follows:

No less than *seventy (70)* [~~fifty-five (55)~~] days before the day fixed by law for holding of regular elections, nominating petitions *shall* [~~may~~] be filed with the clerk of the county in which the district lies to nominate candidates for supervisors of the district. Each nominating petition shall be subscribed by twenty-five (25) or more qualified voters who are residents of the territory to be encompassed by the district. Resident qualified voters may join in nominating by petition more than one candidate for supervisor. The nominating petition shall state the residence and post-office address of each candidate, that he is legally qualified to hold the office, and that the subscribers desire, and are legally qualified, to vote for the candidate. The county clerk shall certify the nomination and election of supervisors to the commission.

Section 30. KRS 262.240 is amended to read as follows:

(1) A supervisor's term begins on January 1 following his election. The two (2) supervisors elected in the general election of 1974 shall be elected for a term of two (2) years. In 1976 a general election shall be conducted for seven (7) supervisors. The four (4) supervisors elected with the highest number of votes in the general election of 1976 shall serve for four (4) years; the other three (3) supervisors elected in 1976 shall serve for two (2) years. In the event only seven (7) nominating petitions for supervisors are filed, the commission shall declare the nominees elected without an election, and shall name four (4) of the nominees to serve terms of four (4) years, and three (3) to serve terms of two (2) years. Thereafter supervisors shall be elected for four (4) years as their terms expire. Nominating petitions for supervisors shall be filed with the county clerk not *later* [~~less~~] than *the last date prescribed by the election law generally for filing certificates and petitions of nomination* [~~fifty-five (55) days prior to the day of the election~~]. No such nominating petition shall be accepted by the clerk unless it is signed by twenty-five (25) or more qualified resident voters of the district. Qualified resident voters may sign more than one (1) nominating petition to nominate more than one (1) candidate for supervisor. In the event nominating petitions for only the number of supervisors to be elected are filed, the commission shall declare the nominees elected without holding an election. *The county clerk shall examine the petition of each candidate to determine whether it is regular on its face. If there is an error, the county clerk shall notify the candidate by certified mail within twenty-four (24) hours of filing.*

(2) A supervisor shall hold office until his successor has been elected and has qualified. Vacancies shall be filled for the unexpired term by appointment by the commission.

(3) A supervisor may be reimbursed for expenses necessarily incurred in the discharge of his duties and may be paid a per diem for attending meetings or otherwise discharging the obligations of his office.

(4) A supervisor shall be a resident of the county or district in which he serves as a supervisor, and upon moving from the county or district, the supervisor shall be ineligible to serve as a supervisor and his office shall be vacant.

(5) A supervisor who has been declared elected without an election pursuant to subsection (1) of this section may be removed from office by the commission in the same manner as provided by KRS 65.007 for

removal of an appointed member of the governing body of a special district.

Section 31. KRS 6.031 is amended to read as follows:

The Commonwealth of Kentucky is divided into representative districts as follows:

(1) First District: Ballard, Carlisle, Fulton, and Hickman Counties and that part of McCracken County contained in the election precincts of Ragland, Grahamville, Woodville, Lamont and Maxon and in that part of the election precinct of Messac-Milan lying north-northwest of U.S. Highway 62.

(2) Second District: Graves County.

(3) Third District: That part of McCracken County not contained in the First and Fourth Districts.

(4) Fourth District: Livingston County; that part of Crittenden County not contained in the Twelfth District and that part of McCracken County contained in the election precincts of Reidland No. 1, Reidland No. 2, Clark River, Hovekamp, Oaks Station, Hendron No. 2, Florence Station, Harper, New Hope-Melber, Rolling Hills, Lone Oak No. 1 and Lone Oak No. 2, and that part of the election precinct of Messac-Milan lying south-southwest of U.S. Highway 62.

(5) Fifth District: Calloway County and that part of Trigg County contained in the Land Between the Lakes and in the voting precincts of Bethesda, Canton, West Cadiz, North Cadiz 1, North Cadiz 2, South Cadiz 1 and South Cadiz 2.

(6) Sixth District: Lyon and Marshall Counties and that part of Caldwell County contained in election precincts Princeton #1, Princeton #4, Princeton #5 and Harmony.

(7) Seventh District: Union County; that part of Henderson County not contained in the Eleventh District; that part of Daviess County contained in the voting precincts of Pleasant Ridge, Utica, Snyder, West Louisville, Curdsville, St. Joseph, Rome, Sorgho, Masonville, Stanley, Northtown, Southtown, Fields, and Habit but excluding those parts of Northtown, Southtown and Fields precincts that are completely surrounded by one or more election precincts of the city of Owensboro.

(8) Eighth District: That part of Trigg County contained in Fort Campbell Military Reservation and in the voting precincts of Wallonia, Cerulean, Maggie and Caledonia-Roaring Spring; that part of Christian County not contained within the Ninth District.

(9) Ninth District: That part of Christian County contained in Fort Campbell Military Reservation and within the following voting precincts: Beverly, North Pembroke, Elmo, South Pembroke, Oak Grove, Lafayette, Sinking Fork, Consolation, West Crofton, East Crofton, Pilot Rock, Fearsville and Apex; that part of Hopkins County contained within the following voting precincts: East Dawson, Charleston and Ilsley.

(10) Tenth District: That part of Hopkins County not contained in the Ninth and Twelfth Districts.

(11) Eleventh District: Henderson County, except for the voting precincts of South Corydon, Niagara, Hebbardsville-Bluff City and South Robards.

(12) Twelfth District: Webster County; that part of Crittenden County contained in election precincts Rosebud, Shady Grove, Marion #5 and Marion #6; that part of Hopkins County contained in election precincts Ashbyburg, Hanson, East Hanson, Manitou and Nebo; that part of Caldwell County not contained in the Sixth District; and that part of McLean County not contained in the Fifteenth District.

(13) Thirteenth District: That part of Daviess County contained in the following election precincts: Owensboro #1, #2, #5, #8, #12, #13, #16, #21, #22, #23, #25, #26, #27, #28, #29, #30, #31, #33, #34, #35, #36, #37, #38, #39, #40, #41, #42, #43, #44 and #45 and those parts of the election precincts of Northtown, Southtown or Fields that are completely surrounded by one or more of the Owensboro precincts contained within the Thirteenth District.

(14) Fourteenth District: That part of Daviess County not contained in the Seventh District or in the Thirteenth District.

(15) Fifteenth District: Muhlenberg County and that part of McLean County contained in voting precincts: Sacramento, Livermore #3, Livermore #8 and Island.

(16) Sixteenth District: Todd and Logan Counties.

(17) Seventeenth District: Ohio and Butler Counties and that part of Hancock County contained in election precincts Boiling Chappell, Pellville, Chambers and Utility.

(18) Eighteenth District: Breckinridge County; that part of Hancock County not contained in the Seventeenth District; and that part of Meade County contained in election precincts Concordia, Flaherty, Guston, Payneville, Battletown and Wolfe Creek and in that part of Ekron election precinct lying west of a line formed by State Highway 144 and Rock Haven Road, and in that part of Woodland election precinct southeast of a line following Osborne Road northeastward to Hobbs-Reesor Road to State Highway 1238 and northeast on State Highway 1238 to the Woodland election precinct line.

(19) Nineteenth District: Edmonson and Grayson Counties; that part of Hardin County contained in voting precincts Upton, White Mills, Eastview and Meeting Creek.

(20) Twentieth District: That part of Warren County containing voting precincts Courthouse, Potter Gray, Nellums, Whayne Supply, Briarwood-Richland, Laurel and Broadway, Ogden College, Municipal Park, Shive-Kiel, 11th Street School, D and F Market, Greenwood, Carver-Harris, T. C. Cherry, Millers, 17th and Normal, Cabell Fire Station, Crestmoor, Millers #2, Carver Harris II, 11th Street Fire Station, Church Street, Watts Mill #2, Watts Mill and Mt. Victor.

(21) Twenty-first District: That part of Simpson County contained in the voting precincts of West Simpson, North Simpson and Prospect Hill and that part of Warren County not contained in the Twentieth District.

(22) Twenty-second District: Allen and Monroe Counties, and that part of Simpson County not contained in the Twenty-first District.

(23) Twenty-third District: Barren County and that part of Metcalfe County containing voting precincts Randolph-Wisdom No. 3, Knob Lick No. 4, Savoyard No. 5, Summer Shade No. 8 and Willow Shade-Beaumont No. 9.

(24) Twenty-fourth District: Hart County; Marion County; that part of Larue County contained in the election precincts of Buffalo, Buffalo East, Attilla, Otter and Mt. Sherman.

(25) Twenty-fifth District: That part of Hardin County not contained in the Nineteenth, Twenty-sixth and Twenty-seventh Districts.

(26) Twenty-sixth District: That part of Hardin County contained in the voting precincts of Radcliff Northwest, Radcliff Southwest, Radcliff Southeast, Radcliff East, Radcliff North, Radcliff South, Radcliff West, Vine Grove East, Vine Grove West, Longview, Colesburg, that part of Yates precinct north of State Highway 144, and that part of the Fort Knox Military Reservation not included in the Twenty-seventh District; that part of Larue County not contained in the Twenty-fourth District.

(27) Twenty-seventh District: That part of Meade County not contained in the Eighteenth District; that part of Bullitt County contained in election precincts Cupio 13, Brooks 12 and Brooks 12A; that part of Hardin County contained in West Point election precinct and in that part of the Fort Knox Military Reservation whose southern boundary is Chaffee Avenue extended westward to the Hardin-Meade County line and eastward to Park Road; thence southward to Eleventh Avenue; thence eastward on Eleventh Avenue and a line extending due eastward to the Bullitt County-Hardin County line.

(28) Twenty-eighth District: That part of Jefferson County containing voting precincts C7, C8, C14, C31, C32, C33, C40, C43, C44, C45, C47, C53, C56, C57, C58, C64, C65, C66, C72, C73, C78, C79, C82, C90, C91, C98, C99, C101, C103, C107, C108, C109 of Commissioner's District C.

(29) Twenty-ninth District: That part of Jefferson County containing voting precincts C5, C6, C11, C16, C19, C21, C24, C30, C34, C39, C46, C50, C54, C55, C59, C61, C67, C69, C71, C74, C75, C80, C81, C85, C94, C97, C100, C112 of Commissioner's District C.

(30) Thirtieth District: That part of Jefferson County containing voting precinct 37 of the Third Ward of the city of Louisville, and voting precincts B10, B13, B18, B19, B21, B22, B24, B25, B31, B40, B42, B43, B48, B49, B54, B58, B64, B67, B70, B71, B72, B78, B84, B85, B87, B89 of Commissioner's District B.

(31) Thirty-first District: That part of Jefferson County containing voting precincts 16, 17, 19, 26, 29, 34, 35, 36, 38 and 39 of the Second Ward of the city of Louisville; and voting precincts A22, A35, A39, A63, A80, A81, A85, A86, A89, A91, A98, A99, A100, A102, A105, A114, A117, A118, A119, A123, A125, A127, A128, A135, A138, A139, A146 and A151 of Commissioner's District A.

(32) Thirty-second District: That part of Jefferson County containing voting precincts 4, 5, 6, 7, 8, 9, 10, 23A, 23B, 23, 24, 25, 27, 28, 29, 30 and 33 of the First Ward of the city of Louisville; voting precincts 1, 2, 3, 4, 5, 6, 7A, 7, 8, 10, 13, 15, 18, 20, 27, 32, 40 and 41 of the Second Ward of the city of Louisville; voting precincts 1 and 2 of the Third Ward of the city of Louisville; and voting precincts A4, A5, A6, A17, A18, A19, A24, A26, A27, A31, A32, A34, A46, A51, A64, A68, A71, A82, A83 and A94 of Commissioner's District A.

(33) Thirty-Third District: That part of Jefferson County containing voting precincts 23, 30 and 31 of the Second Ward of the city of Louisville; voting precincts A10, A11, A15, A16, A36, A53, A57, A70, A75, A76, A84, A87, A90, A92, A93, A95, A97, A101, A104, A112, A115, A120, A130, A132, A134, A137, A141 and A152 of Commissioner's District A.

(34) Thirty-fourth District: That part of Jefferson County containing voting precincts 12, 16, 19A and 19 of the First Ward of Louisville; voting precincts 9, 11, 12, 14, 21, 24, 28, and 33 of the Second Ward of the city of Louisville; voting precincts 3, 4, 7, 8, 9, 10, 11, 12, 13, 14, 15, 18, 19, 20, 21, 22, 23, 25, 26, 27, 28, 30, 31, 32, 33, 34, 35 and 36 of the Third Ward of the city of Louisville; and voting precincts 7 and 11 of the Fifth Ward of the city of Louisville; voting precincts A96 and A103 of Commissioner's District A; and voting precinct B16 of Commissioner's District B.

(35) Thirty-fifth District: That part of Jefferson County containing voting precincts 16, 17 and 29 of the Third Ward of the city of Louisville; 1, 5A, 5, 7, 8A, 8, 9A, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 22, 25, 26, 27, 28, 29, 30, 32 and 33 of the Fourth Ward of the city of Louisville; voting precincts 22, 26, 27, 28, 29 and 30 of the Fifth Ward of the city of Louisville; and voting precincts 10 and 13 of the Eighth Ward of the city of Louisville; and voting precincts B4, B8, B11, B12, B15 and B32 of Commissioner's District B.

(36) Thirty-sixth District: Garrard County; that part of Jessamine County contained in election precincts of East Nicholasville #1, East Nicholasville #2, West Nicholasville *#1 and* #2, Southeast Nicholasville #1 and #2, Southwest Nicholasville #1, #2 and #3, Sulphur Well, Little Hickman, and Bethel; and that part of Madison County contained in the [~~Lexington-Blue Grass Army Depot and in the~~] election precincts of Blue Lick, East Berea, Gay-Stephens, North Berea, South Berea, West Berea, Big Hill, Bobtown-Redlick, Clay, Brassfield-Bearwallow, *Middletown* and Poosey.

(37) Thirty-seventh District: That part of Jefferson County containing voting precincts 2, 21, 23 and 34 of the Fourth Ward of the city of Louisville; voting precincts 4, 6, 7, 8, 9, 10, 11, 14, 17, 18, 19, 20, 21, 22, 23, 25, 29 and 33 of the Sixth Ward of the city of Louisville; voting precincts 6, 8, and 9 of the Seventh Ward of the city of Louisville; voting precincts 11, 12, 14A, 14, 16A and 16 of the Eighth Ward of the city of Louisville; voting precincts B5 (not including that part of B5 located within the city limits of Louisville), B29, B75, B79, B82 and B92 of Commissioner's District B; and voting precincts C22 and C70 of Commissioner's District C.

(38) Thirty-eighth District: That part of Jefferson County containing voting precincts 12, 13, 15, 16, 24, 26A, 26, 27, 28, 30, 31 and 32 of the Sixth Ward of the city of Louisville; voting precincts 3A, 3, 5, 7, 10, 13, 15, 16, 18, 19, 20, 21, 22, 23, 24, 25 and 26 of the Seventh Ward of the city of Louisville; that part of voting precinct B5 of Commissioner's District B not contained within the Thirty-seventh District; and voting precincts C12, C18, C60, C87, C89 and C96 of Commissioner's District C.

(39) Thirty-ninth District: That part of Harlan County contained in the election precincts of Old Baxter, New Baxter, Pine Mountain, Bledsoe, Loyall-Old, Loyall-School and Rio Vista; that part of Perry County not contained in the Ninety-first District; that part of Owsley County not contained in the Ninetieth District.

(40) Fortieth District: That part of Jefferson County containing voting precincts 24 and 25 of the Fifth Ward of the city of Louisville; voting precinct 5 of the Sixth Ward of the city of Louisville; voting

precincts 1, 2, 4, 11, 12, 14 and 17 of the Seventh Ward of the city of Louisville; voting precincts 7, 8A, 8, 9, 15A, 15, 17, 18A, 18, 19, 20 and 21, of the Eighth Ward of the city of Louisville; voting precincts 10, 11, 13, 14A, 14, 15, 16, 17 and 18 of the Ninth Ward of the city of Louisville; voting precincts 25A and 25 of the Tenth Ward of the city of Louisville; and voting precincts C9, C25, C27, C35, C51, C63 and C68 of Commissioner's District C.

(41) Forty-first District: That part of Jefferson County containing voting precincts 1, 2, 3, 11, 13, 14, 15, 17, 21, 31, 32 and 34 of the First Ward of the city of Louisville; voting precincts 2, 3, 4, 5, 6, 8, 10, 13, 15, 18, 19 and 31 of the Fifth Ward of the city of Louisville; and voting precincts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 18, 20, 29 and 30 of the Tenth Ward of the city of Louisville.

(42) Forty-second District: That part of Jefferson County containing voting precincts 12, 16, 17, 20, 21, and 23 of the Fifth Ward of the city of Louisville; voting precincts 1, 2, 3, 4, 5, 6 and 22 of the Eighth Ward of the city of Louisville; voting precincts 1, 2, 4, 7A, 7, 8, 9, 19, 20 and 21 of the Ninth Ward of the city of Louisville; voting precincts 16A, 16, 17, 19, 21A, 21, 22, 23, 24, 26, 27, 28A and 28 of the Tenth Ward of the city of Louisville; voting precincts 14, 15, 16, 17, 18A, 18, 19, 20, 21A, and 21 of the Eleventh Ward of the city of Louisville; and voting precincts 24 and 25 of the Twelfth Ward of the city of Louisville.

(43) Forty-third District: That part of Jefferson County containing voting precincts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 22 of the Eleventh Ward of the city of Louisville; and voting precincts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11A, 11, 12, 13, 14, 15, 16A, 16, 17, 18, 19, 20, 21, 22 and 23 of the Twelfth Ward of the city of Louisville.

(44) Forty-fourth District: That part of Jefferson County containing voting precincts 3, 5, 6 and 22 of the Ninth Ward of the city of Louisville; and voting precincts C1, C2, C3, C4, C10, C13, C15, C17, C20, C26, C28, C29, C36, C37, C38, C41, C42, C48, C49, C52, C62, C76, C77, C83, C84, C86, C88, C92, C93, C95, C104, C105, C106, C110 and C111 of Commissioner's District C.

(45) Forty-fifth District: That part of Jefferson County containing voting precincts B1, B2, B3, B6, B7, B9, B17, B23, B27, B28, B30, B39, B45, B55, B56, B59, B63, B66, B73, B74, B76, B81, B83, B90, B91 and B94 of Commissioner's District B; and voting precincts C23 and C102 of Commissioner's District C.

(46) Forty-sixth District: That part of Jefferson County containing voting precinct A88 of Commissioner's District A; and voting precincts B14, B20, B26, B33, B34, B35, B36, B37, B38, B41, B44, B46, B47, B50, B51, B52, B53, B57, B60, B61, B62, B65, B68, B69, B77, B80, B86, B88 and B93 of Commissioner's District B.

(47) Forty-seventh District: That part of Jefferson County containing voting precincts A8, A12, A13, A14, A20, A21, A23, A25, A28, A33, A37, A38, A41, A42, A43, A44, A45, A50, A58, A65, A69, A72, A74, A77, A106, A107, A108, A109, A110, A124, A126, A129, A133, A136, A147, A149 and A153 of Commissioner's District A.

(48) Forty-eighth District: That part of Jefferson County containing voting precincts 20 and 22 of the First Ward of the city of Louisville; and voting precincts A1, A2, A3, A7, A9, A29, A30, A40, A47, A48, A49, A52, A54, A55, A56, A59, A60, A61, A62, A66, A67, A73, A78, A79, A111, A113, A116, A121, A122, A131, A140, A142, A143, A144, A145, A148 and A150 of Commissioner's District A.

(49) Forty-ninth District: That part of Bullitt County not contained in the Twenty-seventh District.

(50) Fiftieth District: Nelson and Washington Counties.

(51) Fifty-first District: Green and Taylor Counties, and that part of Metcalfe County not contained in the Twenty-third District.

(52) Fifty-second District: Adair and Casey Counties and that part of Russell County contained in the election precincts of Webbs, Irvins, Esto, Royville, City Hall, Fairgrounds, Eli and Rowes.

(53) Fifty-third District: Wayne, Clinton and Cumberland Counties; that part of Russell County not contained within the Fifty-second and Eighty-third Districts.

(54) Fifty-fourth District: Boyle County; that part of Lincoln County contained in the Census County Divisions of Hustonville and Stanford and in Census Enumeration Districts 564 and 565.

(55) Fifty-fifth District: Mercer, Spencer and Anderson Counties.

(56) Fifty-sixth District: Woodford County; that part of Franklin County contained in election precincts Forks of Elkhorn, Switzer, Peaks Mill, Owenton Road and Swallowfield; that part of Jessamine County not contained in the Thirty-sixth District.

(57) Fifty-seventh District: That part of Franklin County not contained in the Fifty-sixth District.

(58) Fifty-eighth District: Henry and Shelby Counties.

(59) Fifty-ninth District: Oldham and Trimble Counties.

(60) Sixtieth District: That part of Boone County not contained in the Sixty-sixth District.

(61) Sixty-first District: Carroll, Gallatin, Grant and Owen Counties.

(62) Sixty-second District: Harrison and Scott Counties.

(63) Sixty-third District: That part of Kenton County containing the following voting precincts: Crescent Springs 1 and 2; Crestview Hills; Edgewood 1, 2, 3, 4, 5 and 6; Fort Mitchell 1, 2, 3, 4, 5 and 6; Fort Wright 1, 2, 3, 4 and 5; Lakeside Park 1, 2 and 3; Park Hills 1, 2 and 3; Richardson*; and that part of Sandfordtown Precinct west of the L & N Railroad track and west of Madison Pike.*

(64) Sixty-fourth District: That part of Kenton County containing the following voting precincts: Bracht, Cherokee, Covington 26, 27, 29, 30 and 43, Decoursey, Independence 1, 2 and 3, Morningview, Nicholson, Oakridge, Piner, *that part of* Sandfordtown *not contained in the Sixty-third District,* Taylor Mill 1 and 2, Visalia, Whites Tower, and Winston Park; and that part of Pendleton County contained in voting precinct Grassy Creek.

(65) Sixty-fifth District: That part of Kenton County containing the following voting precincts: Covington 7, 10, 11, 12, 13, 14, 15, 17, 18, 19, 20, 21, 23, 24, 25, 31, 33, 34, and 42; and that part of Kenton County contained within the city of Ludlow and the *city* [~~precinct~~] of Bromley.

(66) Sixty-sixth District: That part of Boone County containing the following voting precincts: Devon 1, 1A and 2; Florence 1; that part of Florence 3 bounded as follows: beginning at the Boone County line and Old Dixie Highway, then west with Old Dixie Highway to State Highway 1017, then north on State Highway 1017 to Sebree Drive, then west on Sebree Drive to Jortha Avenue, then north on Jortha Avenue to Lloyd, then east on Lloyd and Drexel Avenue to Oakwood Drive, then northeast on Oakwood Drive and High Ridge Avenue to Florence city limits, then east with city limits of Florence to Boone County line, then to point of beginning; Florence 6; that part of Kenton County containing the following voting precincts: *that part of Bromley precinct not contained in Ludlow city and in Bromley city,* Elsmere 1, 2, 3 and 4, Erlanger 1, 2, 3, 4, 5, 6, 7, 8 and 9, Villa Hills 1 and 2.

(67) Sixty-seventh District: That part of Campbell County containing all of the voting precincts in the city of Newport; that part of Campbell County containing the following voting precincts: Southgate A, B and C, Wilder and Woodlawn; that part of Kenton County containing the following voting precincts: Covington 1, 3, 6, 35, 36, 39, 40, and 41.

(68) Sixty-eighth District: That part of Campbell County containing the following voting precincts Bellevue A, B, C, D, E, F, G, H and I; Dayton A, B, C, D, E, F, and G; Fort Thomas A, B, C, D, E, G, L and P, Brent, Crestview, Silver Grove, Hayfield, Carthage, Camp Springs, California, Mentor and Gubser's Mill and Melbourne; Pendleton County precincts Bonar, Sandsuck, and Falmouth 3; and Bracken County precincts Foster, Johnsville, Augusta West and Augusta East.

(69) Sixty-ninth District: That part of Campbell County not contained in the Sixty-seventh and Sixty-eighth Districts; that part of Pendleton County not contained in the Sixty-fourth District and in the Sixty-eighth District.

(70) Seventieth District: Mason, Fleming and Robertson Counties; that part of Bracken County not contained in the Sixty-eighth District.

(71) Seventy-first District: Morgan and Rowan Counties; that part of Lawrence County contained in election precincts Martha, Blaine, Brushey and Meades Branch; and that part of Lewis County contained in the election precincts of Concord, Mowers, Tollesboro, *Petersville,* and Burtonsville [~~and in that part of the election precinct of Peterville southwest of a line commencing at the intersection of State Highway 377 at the Rowan-Lewis County line; thence following the centerline of Highway 377 to the Handy Fork Road, thence with the centerline of Handy Fork Road to its termination; thence with a straight line from the end of the Handy Fork Road to the Sargeant Branch Road; thence with the centerline of the Sargeant Branch Road to the intersection of State Highway 509; thence with the centerline of State Highway 509 northeast to Petersville and the intersection of Highway 344; thence northwest with the centerline of Highway 344 to the Burtonville Precinct boundary~~].

(72) Seventy-second District: Bourbon County and that part of Fayette County not contained in the Seventy-fifth District, the Seventy-sixth, Seventy-seventh, Seventy-eighth and Seventy-ninth Districts.

(73) Seventy-third District: Clark and that part of Powell County west of a line extending from the Montgomery County line south with the centerline of State Highway 213 to State Highway 11 and 15, then westward with the center of State Highway 11 and 15 to the western city limits of Stanton, then eastward around the southern city limits of Stanton to the Mountain Parkway, then eastward with the Mountain Parkway to State Highway 11 and 15, then southward with State Highway 11 and 15 to Cat Creek-High Rock Road, then south with said road and an unnamed branch of Cat Creek to Knowlton Ridge Road, then southward with Knowlton Ridge Road to State Highway 213, then southward with State Highway 213 to the Estill County line.

(74) Seventy-fourth District: Bath, Nicholas and Montgomery Counties.

(75) Seventy-fifth District: That part of Fayette County contained within the following election precincts: Davidson Court, Fayette Park, Hampton Court, Preston Inn, West Main, Church, Deerfield, Fair Grounds, Goodrich, Merino, Open Gates, Picadome, Rodes Addition, Rosemont, Towers, Alabama, Ashland Avenue, Aylesford, Bell Place, Bunker, Campsie, Clifton, College View, Hollywood, Lawrence, Mt. Vernon, and Woodland.

(76) Seventy-sixth District: That part of Fayette County contained within the following election precincts: Blue Acres, Marlboro, Radcliffe, *Aspendale-Bluegrass* [~~Aspendale, Bluegrass~~], Breckenridge, Bryan Station, Castlewood, Crawford, Deep Springs, Dixie, Eastland, Emerson, Helm, Henry Clay, Hermitage, Idle Hour, Kenwick, Liberty Heights, Loudon, Northern, *Ohio-Walnut* [~~Ohio~~], Rookwood, Victory, [~~Walnut Street,~~] Walton, Warfield Place, Augusta, Greenleaf and Delaware.

(77) Seventy-seventh District: That part of Fayette County contained within the following election precincts: Alexandria, Barker, Cardinal Valley, *Douglas-Washington* [~~Douglas~~], Evans, Fairlawn, Garden Springs, Gibson Park, Holiday Hills, [~~Imperial,~~] Julius Marks, Keys, Lane Allen, Larkspur, Meadowthorpe, Oxford, Pine Meadows, St. Martins, Skycrest, Terrace View, Turfland, Versailles *Road* [~~Pike~~], Viley Heights, [~~Washington,~~] Wolf Run, Barkley, Lafayette, Clays Mill, Hill-n-Dale, Indian Hills, Longview, Pershing, Southview and *Arlington-Imperial* [~~Arlington~~].

(78) Seventy-eighth District: That part of Fayette County contained within the following election precincts: Beaumont, Meridian, The Colony, Airport *North, Airport South,* Blueberry Hills *South, Blueberry Hills West,* Brigadoon, Brookhaven, Camelot, Glendover, Hinda Heights, Keithshire, Lansdowne, Leawood, McDowell *East, McDowell West,* Malabu, Montavesta *East, Montavesta West,* Monticello, Redding Road, Shadeland, Shady Lane, Stone, Stonewall, Wem, Zandale, Robinwood, South Point, *South Point North,* Tudor, Bayswater, Kirklevington *East, Kirklevington West,* Stoneybrook, Surfside, and Plantation.

(79) Seventy-ninth District: That part of the county of Fayette contained within the following election precincts: Fairway, Gainesway, Lakeview *North, Lakeview South,* Mt. Tabor, Merrick, Richmond Road, Shrine, Southeastern Hills, Tates Creek, Walnut Hill, Delong, *Delong East,* River Park, Blairmore, Edgewater, Ascot, Park Hills *North, Park Hills South,* Cove Lake *North, Cove Lake South,* Chevy Chase, Chilesburg, Duke, Ellerslie, Fontaine, Woodspoint, Alsab, and Ridgeway.

(80) Eightieth District: Rockcastle County; that part of Lincoln County not contained in the Fifty-fourth District; that part of McCreary County not contained in the Eighty-second district; and that part of Pulaski County contained within the following voting precincts: Eubank 25, Estesburg 26, Hazeldell 29, Good Hope 28, Dallas, Mayfield, Mt. Victory, Sloans Valley, Gamblin, Buncombe, and Catron 31.

(81) Eighty-first District: That part of Madison County not contained in the Thirty-sixth District.

(82) Eighty-second District: That part of Whitley County not contained in the Eighty-seventh District; that part of McCreary County contained within Census Enumeration Districts 182, 183, 185 and 186.

(83) Eighty-third District: That part of Pulaski County not contained in the Eightieth District; and that part of Russell County contained in the election precinct of Jabez.

(84) Eighty-fourth District: Estill, Lee and Menifee Counties; that part of Powell County not contained in the Seventy-third District; and that part of Jackson County not contained in the Ninetieth District.

(85) Eighty-fifth District: Laurel County.

(86) Eighty-sixth District: Knox County; that part of Clay County contained in voting precincts Harts Branch, Horse Creek, Manchester, Garrard and Whites Branch.

(87) Eighty-seventh District: Bell County and that part of Whitley County southeast of a line beginning at the Tennessee State line, following the Pine Mountain Divide northeastward, then westward with the Vanderpool Mountain Divide to the Rose Creek-Seng Branch Divide, then northward with said divide to the Gatliff Lookout Road, then with said road to State Highway 904, then eastward with State Highway 904 to State Highway 1809, then northward with State Highway 1809 to the Knox County line.

(88) Eighty-eighth District: That part of Harlan County not contained in the Thirty-ninth District.

(89) Eighty-ninth District: Breathitt, Wolfe and Magoffin Counties.

(90) Ninetieth District: Leslie County; that part of Jackson County contained in Census Enumeration Districts 81, 82, 83 and 76U; that part of Clay County not contained in the Eighty-sixth District; that part of Owsley County contained in election precincts Island Creek, Sturgeon and Elk Lick.

(91) Ninety-first District: That part of Perry County contained in the election precincts of Whitaker, Little Leatherwood, Cornettsville, Fusonia, Vicco, Happy, Jeff, Farmertown and Christopher; that part of Pike County south and west of a line beginning at the Letcher County line, then northeast with the Marshall Branch-Booker Branch Divide and the Orchard Branch-Blaze Branch Divide to Gale Road, then with the Gale Road to its intersection with U.S. Highway 23, then in a straight line eastwardly to Herman Siding Station, then south-southeast with northern boundary of Dorton Census County Division to the Virginia state line and that part of Letcher County not contained in the Ninety-second District.

(92) Ninety-second District: Knott County; that part of Letcher County contained in the voting precincts of Ison, Colson, Marion, Blackey, Doty and Baker; that part of Floyd County contained in the voting precincts of Rock Fork #37, Wayland #18, Lackey #17, Bosco #15, Beechgrove #41, Jack Allen, Middle Creek #8, Maytown, Rough and Tough #12, Abbott #35, and Garrett #16.

(93) Ninety-third District: That part of Pike County not contained in the Ninety-first and Ninety-fourth Districts.

(94) Ninety-fourth District: That part of Pike County contained in the Census County Divisions of Pikeville, Mayflower, Raccoon, Sidney and South Williamson and Census Enumeration Districts 505 and 506.

(95) Ninety-fifth District: That part of Floyd County not contained in the Ninety-second District.

(96) Ninety-sixth District: Carter County; that part of Lewis County not contained in the Seventy-first District; that part of Greenup County contained in Census Enumeration District 831.

(97) Ninety-seventh District: Johnson and Martin Counties.

(98) Ninety-eighth District: That part of Greenup County not contained in the Ninety-sixth and One hundredth Districts.

(99) Ninety-ninth District: Elliott County; that part of Lawrence County not contained in the Seventy-first District; that part of Boyd County containing the following voting precincts: Court House, City Building, Argo, Hampton, England Hill, Durbin, East Fork, Cannonsburg, Princess, Garner , Hoods Creek, Fairview, Buckley #1, Buckley #2, Westwood , Fannin, Ashland Oil and Greenhill.

(100) One hundredth District: That part of Boyd County not contained in the Ninety-ninth District and that part of Greenup County contained in the city of Bellefonte.

Section 32. KRS 6.041 is amended to read as follows:

(1) Any reference in KRS 6.011 and 6.031 to a census unit, city, county, road, highway or stream means that census unit, city, county, road, highway or stream as its boundaries or location existed on January 1, 1980.

(2) Any reference to a ward, commissioner's district or precinct means that ward, commissioner's district or precinct as its boundaries existed on July 15, 1980, *and except that for purposes of KRS 6.031:*

(a) Any reference to the Madison County election precincts of Middletown and Menales Todd shall mean those precincts as their boundaries existed on January 1, 1984; and

(b) Any references to Fayette County election precincts shall mean those precincts as their boundaries existed on January 1, 1984.

Section 33. KRS 83A.170 is amended to read as follows:

(1) In any city which has under the provisions of KRS 83A.050 required nonpartisan city elections, or in any city of the second class operating under the city manager form of government pursuant to KRS 83A.150, no person shall be elected to city office except as provided in this section.

(2) No person shall be elected to city office without being nominated in the manner provided in this section at a nonpartisan primary election to be held at the time prescribed by law for primary elections generally. Nonpartisan primary elections shall be conducted by the same officers, chosen and acting in the same manner, with the same rights and duties as in regular elections.

(3) Each applicant for nomination *in a city of the first, second and third class* shall, *by* at least *the last date prescribed by the election law generally for filing notification and declaration forms with the county clerk, or in a city of the fifth and sixth class, shall by at least* fifty-five (55) days before the primary election, file with the county clerk a petition signed by at least one percent (1%) of the registered voters in the city or twenty (20) voters, whichever is less. Each voter may sign a slated petition up to the number of offices to be filled for a particular position or may sign individual petitions equal to the number of offices to be filled. [~~,~~] If a voter signs petitions for more candidates than he is authorized then he shall be counted as a petitioner for the candidate whose petition is filed first. The petition shall be in the following form:

"We the undersigned, qualified voters of the City of ________________ request that the name of ________________ be placed before the voters of the city as that of an applicant for nomination for the office of ________________ at the primary election to be held in our city on the *date prescribed by law for primary elections generally* [~~fourth Tuesday in August ,~~ ________]. We know the applicant to be a qualified voter of the city and a person of good character, and he is, in our judgment, qualified for the duties of the office.

Name N	Number	Street
________________	________________	________________
________________	________________	________________
________________	________________	________________"

The petition shall be verified by the affidavit of some person as to the genuineness of signatures and addresses of the signers. No voter shall sign more than one (1) petition with reference to each applicant. If any voter signs more than one (1) petition of an applicant, the name of that voter shall not be counted as valid on any petition.

(4) The county clerk shall examine the petition of each candidate to determine whether it is regular on its face. If there is an error, the county clerk shall notify the candidate by certified mail within twenty-four (24) hours of filing.

(5) Immediately upon expiration of the time for filing petitions, the county clerk shall have published in accordance with KRS Chapter 424 the names of the applicants as they will appear before the voters at the primary.

(6)[~~(5)~~] Subsection *(5)*[~~(4)~~] of this section shall not apply if it appears, immediately upon expiration of the time for filing petitions, that there are not more than two (2) applicants for nomination for each city office to be filled, or, when the nominations are for city legislative body members in cities electing legislative body members at large, and there are no more than twice the number of applicants for nomination for the number of offices to be filled. In that case, the applicants for nomination shall thereby be nominated and no primary election shall be held for that office.

(7) The ballot position of a candidate shall not be changed after the ballot position has been designated by the county clerk.

(8) If before the time of certification provided in the election law generally, any candidate whose petition has been filed in the office of the county clerk, dies or notifies the county clerk in writing, signed and properly notarized, that he will not accept the nomination, the county clerk shall not certify his name.

(9) If before the ballots are printed, any candidate whose petition has been filed in the office of the county clerk dies or notifies the clerk in writing, signed and properly notarized, that he will not accept the nomination, the clerk shall not cause his name to be printed on the ballot.

(10) If after the ballots are printed, any candidate whose name appears thereon shall die, the county clerk shall cause his name to be blocked out or obliterated from the ballot. The clerk shall not knowingly allow the name of a deceased person to appear on the ballot.

(11)[~~(6)~~] Names of applicants for each nomination shall be placed before the voters of the city. The voters shall be instructed to vote for one candidate, except that they shall be instructed to vote for the number of legislative body members to be elected in cities nominating legislative body members at-large. No party designation or emblem of any kind, nor any sign indicating any applicant's political belief or party affiliation shall be used.

(12)[~~(7)~~] Persons qualified to vote at a regular election are qualified to vote at a nonpartisan primary election and the law applicable to challenges made at a regular election is applicable to challenges made at a nonpartisan primary election.

(13)[~~(8)~~] Votes shall be counted as provided in general election laws and the result shall be published as provided in KRS Chapter 424.

(14)[~~(9)~~] The two (2) applicants receiving the highest number of votes for nomination for each city office shall be nominated, or where the nominations are for city legislative body members in cities electing legislative body members at large, there shall be nominated the number of applicants receiving the highest number of votes equal to twice the number of offices to be filled.

(15) The ballot position of a candidate shall not be changed after the ballot position has been designated by the county clerk.

(16)[~~(10)~~] At the regular election following a nonpartisan primary election, the names of the successful nominees shall be placed before the voters.

(17)[~~(11)~~] The nominee receiving the greater number of votes cast for each city office shall be elected.

(18)[~~(12)~~] General election law prescribing duties of county clerks and other public officers in the conduct of elections shall be applicable in all respects to nonpartisan city elections, except no election officer or other person within a polling place shall tell or indicate to a voter, by word of mouth or otherwise, the political affiliation of any candidate for city office.

Section 34. The following KRS sections are repealed:

116.127 Purge in counties containing a city of the first class biennially -- Procedure.

117.405	Definitions.
117.415	Powers and duties of commission as to voting machines.
117.425	Financing of voting machine projects.
117.435	Procedure for acquiring machines.
117.445	Negotiable and tax-free character of bonds -- Source of payment.
117.455	Ways in which money received may be used.
117.465	Sinking fund reserve.
117.475	Separate bond issue -- Procedure for two or more counties.
117.485	Action after termination of lease.
117.495	One or more separate bond issues for same county.
117.505	Bondholder's right to proceed.
117.515	Refunding bonds.
117.525	Additional and alternate character of provisions as to acquisition of voting machines.

Section 35. Whereas certain filing deadlines and election procedures are established to begin with the 1985 primary and general election; Sections 1, 11, 18 and 21 of this Act shall become effective January 1, 1985.

Section 36. Whereas it would be advantageous for legislative and judicial districts to be effective before, rather than after, the primary election; and whereas it is imperative that a new filing date be established immediately in primaries in cities of the fifth and sixth classes, an emergency is declared to exist, and Sections 2, 31, 32 and 33 of this Act shall become effective upon its passage and approval by the Governor.

Signed by: Senators John D. Rogers, Ed O'Daniel, Gus Sheehan, Jr. Representatives Thomas Todd, Joe Barrows, Mark O'Brien.

The above-named members, in separate votes by house, all concur in the provisions of this report, March 30, 1984, 3:40 p.m., Room 323.

On the roll call the vote was yeas 72-Allen, Arnold, Barrows, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Foster, Freibert, Fryman, Gedling, Gray, Hancock, Handy, Harper, Heleringer, Hines, Holbrook, Holloway, Johnson, Kenton, Kidd, Layman, LeMaster, Lile, Little, Long, Lundergan, McBee, McElroy, Meyer, Moberly, Moore, Noland, O'Brien, Overstreet, Patrick, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Robinson, Seum, B. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Worthington. Nays 7-Endicott, Ford, Lefevers, Pearman, F. Smith, Todd, Yates.

SB 56, by way of Free Conference Committee Report, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **SB 56,** by way of Free Conference Committee Report, was passed be reconsidered and said motion be placed on the table. Agreed.

A Conference Committee Report was filed on **HB 642.**

Representatives Yates moved that the vote by which **HB 25,** by way of Majority Free Conference Committee Report, was defeated be reconsidered. Agreed.

Representative LeMaster moved that **HB 25** be placed in Orders of the Day. Agreed.

HB 474 taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Clarke moved the adoption of the Free Conference Committee Report, thereby the passage of **HB 474.**

The free conference committee on **HB 474** has met as provided in the rules of the House and Senate and hereby reports the following to be adopted:

The General Assembly copy of **HB 474,** amended as follows:

Page 2, line 5, by deleting the amount $2,145,100" and inserting in lieu thereof the amount: "$2,156,400";

line 6, by deleting the amount "$2,225,800" and inserting in lieu thereof the amount: "$2,268,400";

line 13, by deleting the amount "$354,500" and inserting in lieu thereof the amount: "$355,100";

line 14, by deleting the amount "$362,400" and inserting in lieu thereof the amount: "$371,400";

line 17, by deleting the amount "$1,316,900" and inserting in lieu thereof the amount: "$1,326,900";

line 18, by deleting the amount "$1,350,700" and inserting in lieu thereof the amount: "$1,401,400";

line 21, by deleting the amount "$286,000" and inserting in lieu thereof the amount: "$288,200";

line 22, by deleting the amount "$292,300" and inserting in lieu thereof the amount: "$300,300";

line 24, by deleting the amount "$-0-" and inserting in lieu thereof the amount: "$350,000";

line 25, by deleting the amount "$-0-" and inserting in lieu thereof the amount: "$350,000";

line 25, by adding the following: "The Governor is hereby authorized to expend funds for the improvement and advancement of governmental purposes and activities.";

Page 3, line 1, by deleting the amount "$4,126,600" and inserting in lieu thereof the amount: "$4,476,600";

line 2, by deleting the amount "$4,341,500" and inserting in lieu thereof the amount: "$4,691,500";

line 6, by deleting the amount "$420,900" and inserting in lieu thereof the amount: "$460,000";

line 7, by deleting the amount "$431,700" and inserting in lieu thereof the amount: "$460,000";

line 17, by deleting the amount "$1,033,300" and inserting in lieu thereof the amount: "$1,026,100";

line 18, by deleting the amount "$1,012,000" and inserting in lieu thereof the amount: "$998,100";

line 25, by deleting the amount "$1,077,300" and inserting in lieu thereof the amount: "$1,070,100";

line 26, by deleting the amount "$1,056,000" and inserting in lieu thereof the amount: "$1,042,100";

Page 4, line 3, by deleting the amount "$1,069,400" and inserting in lieu thereof the amount: "$1,066,200";

line 4, by deleting the amount "$1,085,400" and inserting in lieu thereof the amount: "$1,079,500";

line 16, by deleting the amount "$1,090,000" and inserting in lieu thereof the amount: "$1,081,800";

line 17, by deleting the amount "$1,257,500" and inserting in lieu thereof the amount: "$1,245,100";

line 20, by deleting the amount "$4,690,900" and inserting in lieu thereof the amount: "$4,758,200";

line 21, by deleting the amount "$4,767,000" and inserting in lieu thereof the amount: "$4,829,700";

line 25, by deleting the amount "$7,195,900" and inserting in lieu thereof the amount: "$7,467,200";

line 26, by deleting the amount "$7,479,000" and inserting in lieu thereof the amount: "$7,921,100";

Page 5, line 2, by deleting the amount "$7,675,100" and inserting in lieu thereof the amount: "$7,888,300";

line 3, by deleting the amount "$7,758,300" and inserting in lieu thereof the amount: "$8,105,600";

line 6, by deleting the amount "$14,871,000" and inserting in lieu thereof the amount: "$15,355,500";

line 7, by deleting the amount "$15,237,300" and inserting in lieu thereof the amount: "$16,026,700";

line 15, by deleting the words, "those counties", and inserting in lieu thereof the words: "a county"; and by deleting the word, "circuits", and inserting in lieu thereof the word: "circuit";

line 16, by deleting the word, "comparable", and inserting in lieu thereof the words: "which is proportional";

line 20, by deleting the amount "$2,352,500" and inserting in lieu thereof the amount: "$2,332,000";

line 21, by deleting the amount "$2,758,400" and inserting in lieu thereof the amount: "$2,725,200";

Page 6, line 25, by deleting the amount "$4,654,500" and inserting in lieu thereof the amount: "$4,672,100"; and by deleting the amount "$4,850,200" and inserting in lieu thereof the amount: "$4,913,000";

Page 7, line 12, by deleting the amount "$1,987,700" and inserting in lieu thereof the amount: "$1,995,900";

line 13, by deleting the amount "$2,071,300" and inserting in lieu thereof the amount: "$2,067,700";

Page 8, line 8, by deleting the amount "$6,642,200" and inserting in lieu thereof the amount: "$6,668,000";

line 9, by deleting the amount "$6,921,500" and inserting in lieu thereof the amount: "$6,980,700";

line 17, by deleting the amount "$4,259,200" and inserting in lieu thereof the amount: "$4,345,400";

line 18, by deleting the amount $4,071,100" and inserting in lieu thereof the amount: "$4,251,300";

line 24, by deleting the amount "$4,259,200" and inserting in lieu thereof the amount: "$4,345,400";

line 25, by deleting the amount "$4,071,100" and inserting in lieu thereof the amount: "$4,251,300";

Page 9, line 2, by deleting the amount "$202,200" and inserting in lieu thereof the amount: "$207,000";

line 3, by deleting the amount "$232,000" and inserting in lieu thereof the amount: "$236,000";

line 6, by deleting the amount "$3,812,200" and inserting in lieu thereof the amount: "$3,787,600";

line 7, by deleting the amount "$3,576,000" and inserting in lieu thereof the amount: "$3,927,000";

Page 10, line 4, by adding after the word "surplus" the word "account";

Page 12, line 1, by deleting the amount "$64,700" and inserting in lieu thereof the amount: "$65,100";

line 2, by deleting the amount "$59,200" and inserting in lieu thereof the amount: "$61,700";

line 6, by deleting the amount "$11,242,500" and inserting in lieu thereof the amount: "$11,237,300";

line 8, by deleting the amount "$64,700" and inserting in lieu thereof the amount: "$65,100";

line 9, by deleting the amount "$12,921,000" and inserting in lieu thereof the amount: "$10,009,200";

line 9, by deleting the amount "$59,200" and inserting in lieu thereof the amount: "$61,700";

line 12, by deleting the amount "$51,700" and inserting in lieu thereof the amount: "$52,100";

line 13, by deleting the amount "$48,000" and inserting in lieu thereof the amount: "$49,400";

Page 16, line 1, by deleting the amount "$95,088,300" and inserting in lieu thereof the amount: "$95,477,400";

line 2, by deleting the amount "$104,889,400" and inserting in lieu thereof the amount: "$105,267,700";

line 15, by deleting the amount "$2,969,800" and inserting in lieu thereof the amount: "$2,962,900";

lines 20-21, by adding between lines 20 and 21 a solid line across the page;

Page 17, line 1 and 2, by adding between lines 1 and 2 a solid line across the page;

line 3, by deleting the amount "$2,891,300" and inserting in lieu thereof the amount: "$2,887,200";

line 17, by deleting the amount "$9,143,200" and inserting in lieu thereof the amount: "$8,687,000";

line 18, by deleting the amount "$9,366,400" and inserting in lieu thereof the amount: "$8,917,700";

Page 18, line 11, by deleting the amount "$31,688,800" and inserting in lieu thereof the amount: "$31,218,400";

line 12, by deleting the amount "$31,835,700" and inserting in lieu thereof the amount: "$31,387,000";

line 17, by deleting the amount "$6,331,800" and inserting in lieu thereof the amount: "$6,327,700";

line 18, by deleting the amount "$6,958,800" and inserting in lieu thereof the amount: "$7,074,900";

line 22, by deleting the sentence, beginning with the word "Also" and concluding on line 23 with the word "staff";

line 22, after the word "Act" by inserting the following:

"The General Assembly intends that the Corrections Cabinet study and submit to the Interim Appropriations and Revenue Committee, prior to contractural arrangements, a feasibility study of the immediate and long-term benefits of dorm renovation vs. construction for the two dorm projects authorized at the Kentucky State Reformatory. The General Assembly instructs that within the feasibility analysis the Cabinet analyze the ability to rebuild cellhouse facilities of approximately 160 beds. The analysis shall include, in addition to other relevant data, cost advantages of building-life, energy efficiency, operational efficiency, and staffing efficiency. The analysis shall also include the approximate cost and comparison to building a 150-bed medium security unit at a new site.

Should new construction be proved more feasible than renovation, the General Assembly intends that the Corrections Cabinet request that the Court and the plaintiffs in the Kendrick vs. Bland and Thompson litigation approve said construction plan in recognition of both fiscal responsibility and improved living environments.

Should the Court so approve, it is the intention of the General Assembly, that the building construction be bid jointly or with the understanding that facility plans become the property of the Commonwealth so that said plans may be used for the building of subsequent cellhouse or cellhouses at the Kentucky State Reformatory or within the Correctional Systems without further design expense.

The General Assembly further intends, by not recommending the construction of the new 500-bed medium security institution, that the Corrections Cabinet continue to implement its objective classification system and to place persons accordingly. Nothing in this recommendation may be construed to justify a change in that system. It is the intention of the General Assembly to develop alternative placements for persons classified as minimum or community custody. In order to accommodate the projected inmate population, by classification status, for fiscal year 1987, the General Assembly further instructs that the Cabinet investigate community and private corporational availability of correctional services and to submit quarterly a report to the Interim Appropriations and Revenue Committee which designates placement by classification and that such report include a description of correctional alternatives considered during that quarter.

The General Assembly deletes the correctional industry and educational building renovation and new construction at Northpoint. It is the committee's intention that existing buildings be renovated for educational purposes. In fiscal year 1985, $500,000 in bonds is authorized for this purpose.

The General Assembly also deletes the Segregation Unit request for Northpoint and supports continued careful screening of inmates sent to Northpoint to minimize the probability of incidences of acting out and supports continued transfer back to LaGrange of those who do act out or who request protective custody.

Further, no funds for new construction projects are provided at Kentucky Correctional Institute for Women as the matter is being litigated before the Federal Court and the Security level of housing required is a point of debate. It is the Legislature's intention, as reflected in the Capital Construction Budget, to authorize bonds for facilities construction or renovation as required by the Court in settlement of said litigation with the intention that resulting debt service and any operational expenses be allotted from the General Fund Surplus Account (KRS 48.700)."

after line 23, by adding the following:

"Also included is $89,000 each year to fund additional research and evaluation staff.

It is the intention of the 1984 General Assembly that the $89,000 provided each year be used to supplement both state and jail data development, collection and analysis including but not limited to:

(a) The placement of prisoners within the Commonwealth's correctional system by institution, whether imprisoned in a state prison or other institution, including county jails, on probation, parole, housed in halfway houses, sentenced to community service or otherwise;

(b) Numbers of prisoners by type of offense;

(c) Numbers of prisoners by number and type of prior convictions;

(d) Numbers of prisoners paroled by type of offense and by length of time served;

(e) Numbers of prisoners released through shock probation by type of offense and by length of time served; and

(f) Numbers of prisoners serving their full sentence by type of offense.

The cabinet shall annually report to the Governor and the Legislative Research Commission on:

(a) Numbers and types of prison beds necessary to meet current population needs and five (5) year projections of such needs;

(b) Current personnel needs of the Cabinet and five (5) year projections of such needs; and

(c) A five (5) year projection of needed capital construction, program development and anticipated requests for appropriations.

Also included in the above appropriation is $422,500 in fiscal year 1984-85 and $443,600 in fiscal year 1985-86 for the operation of the Parole Board."

Page 19, line 1, by deleting the amount "$46,893,500" and inserting in lieu thereof the amount: "$46,924,800";

line 2, by deleting the amount "$48,522,800" and inserting in lieu thereof the amount: "$49,276,600";

line 5, by deleting the amount "$10,251,100" and inserting in lieu thereof the amount: "$10,555,300";

line 6, by deleting the amount "$11,193,300" and inserting in lieu thereof the amount: "$11,710,500";

line 7, by deleting the amount "$662,500" and inserting in lieu thereof the amount: "$649,200";

line 8, by deleting the amount "$649,200" and inserting in lieu thereof the amount: "$662,200";

line 16, after the word "distributed" by inserting the following: ", upon approval of the Corrections Cabinet,";

line 22, by adding the following: "It is the intent of the General Assembly that the $900,000 each year for medical contracts be maintained in an individual account specifically for medical contracts and that a county must be certified by the Corrections Cabinet in order to receive its prorated share. In order to obtain certification, a county must submit a notorized statement to the Cabinet which states that it has, to the best of its ability, investigated and obtained the most feasible medical contract or contracts possible. A copy of the contract shall be appended to the letter requesting certification. Upon receipt of the letter requesting certification, the Corrections Cabinet shall review and if approvable, distribute the funds as appropriate. If the contract is not approvable, the Cabinet must respond in writing to the county of its decision and basis for objection. In no event shall the Cabinet release funds without giving proper certification. In no event shall monies be expended for medical services or supplies that are not provided through an approved contract.

It is the intention of the General Assembly that $100,000 be maintained in a separate account for catastrophic medical expenses. It is the intention of the General Assembly that any medical claim which exceeds $2,500 may be reimbursed for that amount in excess of $2,500. In no event shall this apply to expenses of an elective, as opposed to emergency, basis and expenses shall be paid according to the Kentucky Medical Assistance Schedule.

In the event that **SB 361** should fail to be enacted, these monies shall lapse to the General Fund and no monies shall be appropriated for medical expenses.";

line 25, by deleting the amount "$77,436,900" and inserting in lieu thereof the amount: "$77,768,300";

line 26, by deleting the amount "$81,288,000" and inserting in lieu thereof the amount: "$82,675,100";

Page 20, line 8, by deleting the amount "$6,080,000" and inserting in lieu thereof the amount: "$6,105,200";

line 9, by deleting the amount "$6,241,300" and inserting in lieu thereof the amount: "$6,380,100";

line 10, after the word "is" by inserting the following: "at least";

line 11, after the word "and" by inserting the following: "at least";

line 22, by deleting the amount "$8,854,800" and inserting in lieu thereof the amount: "$8,811,400";

line 23, by deleting the amount "$9,146,700" and inserting in lieu thereof the amount: "$9,383,500";

line 24, by deleting the amount "$7,457,500" and inserting in lieu thereof the amount: "$7,357,500";

line 25, after the word "and" by inserting the following: "at least";

Page 21, line 7, by deleting the amount "$873,422,400" and inserting in lieu thereof the amount: "$873,415,200";

line 8, by deleting the amount "$908,749,400" and inserting in lieu thereof the amount: "$908,734,700";

Page 22, lines 6, 7, and 8, by deleting lines 6, 7, and 8 in their entirety and inserting in lieu thereof the following:

"0-3 years	17,940	16,060	14,170	12,200	11,250
4-9 years	19,820	17,940	16,060	12,200	11,250
10 years	21,520	19,640	17,750	12,200	11,250

Page 22, lines 22, 23, and 24, by deleting lines 22, 23, and 24 in their entirety and inserting in lieu thereof the following:

"0-3 years	18,480	16,540	14,600	12,570	11,590
4-9 years	20,410	18,480	16,540	12,570	11,590
10 years	22,170	20,230	18,280	12,570	11,590

Page 26, by deleting lines 14, 15, 16 and 17 in their entirety.

Page 27, line 14, by deleting the amount "$4,130" and inserting in lieu thereof the amount: "$4,320"; and by deleting the amount "$4,484" and inserting in lieu thereof the amount: "$4,680";

Page 29, line 11, by deleting the amount "$76,165,500" and inserting in lieu thereof the amount: "$76,166,500";

line 12, by deleting the word, "1985-89" and inserting in lieu thereof the word "1985-86";

Page 30, line 13, by deleting the amount "$8,873,700" and inserting in lieu thereof the amount: "$8,879,500";

line 14, by deleting the amount "$27,617,100" and inserting in lieu thereof the amount: "$27,669,600";

Page 31, line 12, by deleting the amount "$14,068,500" and inserting in lieu thereof the amount: "$14,065,500";

line 13, by deleting the amount "$15,516,800" and inserting in lieu thereof the amount: "$15,551,500";

Page 32, line 4, by adding after line 4, the following: "Local school districts shall establish, pursuant to state board of education regulations, a process whereby pupils may rent textbooks for a reasonable fee. Textbooks purchased by the State Board of Education, prior to July 1, 1984, for grades nine through twelve shall continue to be loaned or rented to pupils until they are no longer selected and listed by the State Textbook Commission. Rental fees collected by the district shall be used for the maintenance of the textbooks and the purchase of new textbooks.";

line 15, by deleting the amount "$37,235,400" and inserting in lieu thereof the amount: "$37,230,000";

line 16, by deleting the amount "$41,821,500" and inserting in lieu thereof the amount: "$41,814,500";

Page 33, line 6, by deleting the amount "$41,217,200" and inserting in lieu thereof the amount: "$41,530,200";

line 7, by deleting the amount "$43,336,200" and inserting in lieu thereof the amount: "$44,515,500";

line 13, by deleting the amount "$4,134,500" and inserting in lieu thereof the amount: "$4,165,500";

line 14, by deleting the amount "$4,195,000" and inserting in lieu thereof the amount: "$4,232,600";

line 16, by deleting the amount "$3,014,300" and inserting in lieu thereof the amount: "$3,043,300";

line 17, by deleting the amount "$3,171,900" and inserting in lieu thereof the amount: "$3,379,500";

line 22, by deleting the amount "$1,036,495,500" and inserting in lieu thereof the amount: "$1,036,840,500";

line 23, by deleting the amount "$1,101,370,300" and inserting in lieu thereof the amount: "$1,103,235,900";

line 26, by deleting the amount "$7,704,000" and inserting in lieu thereof the amount: "$7,764,900";

Page 34, line 1, by deleting the amount "$7,996,500" and inserting in lieu thereof the amount: "$8,147,200";

line 7, by deleting the amount "$1,480,000" and inserting in lieu thereof the amount: "$1,492,800";

line 8, by deleting the amount "$1,539,300" and inserting in lieu thereof the amount: "$1,595,500";

line 11, by deleting the amount "$8,491,800" and inserting in lieu thereof the amount: "$8,481,900";

line 12, by deleting the amount "$8,797,300" and inserting in lieu thereof the amount: "$8,786,900";

line 19, by deleting the amount "$1,171,300" and inserting in lieu thereof the amount: "$1,172,600";

line 20, by deleting the amount "$1,224,100" and inserting in lieu thereof the amount: "$1,255,600";

line 23, by deleting the amount "$6,022,900" and inserting in lieu thereof the amount: "$6,638,100";

line 24, by deleting the amount "$6,032,000" and inserting in lieu thereof the amount: "$6,650,600";

Page 35, line 2, by deleting the amount "$86,600" and inserting in lieu thereof the amount: "$87,400";

line 3, by deleting the amount "$8,500" and inserting in lieu thereof the amount: "$92,700";

line 4, and after line 4, by adding the following: "Also included in the above appropriation is debt service in the amount of $214,400 in fiscal year 1984-85 and $214,400 in fiscal year 1985-86 for the Letcher Co. project;

Also included is debt service in the amount of $400,000 in fiscal year 1984-85 and $400,000 in fiscal year 1985-86 for the Graves Co. project.";

Page 35, line 7, by deleting the amount "$127,223,800" and inserting in lieu thereof the amount: "$126,067,800";

line 8, by deleting the amount "$130,308,500" and inserting in lieu thereof the amount: "$129,231,300";

line 26, by deleting the amount "$1,132,500" and inserting in lieu thereof the amount: "$1,134,000";

Page 36, line 1, by deleting the amount "$1,171,800" and inserting in lieu thereof the amount: "$1,194,300";

Page 36, line 4, by deleting the amount "$170,000" and inserting in lieu thereof the amount: "$169,900";

line 5, by deleting the amount "$175,600 and inserting in lieu thereof the amount: "$178,700:

line 8, by deleting the amount "$86,100" and inserting in lieu thereof the amount: "$84,700";

line 9, by deleting the amount "$89,400" and inserting in lieu thereof the amount: "$89,500";

line 12, by deleting the amount "$370,300" and inserting in lieu thereof the amount: "$375,600"

line 13, by deleting the amount "$380,300" and inserting in lieu thereof the amount: "$391,300";

line 17, by deleting the amount "$162,100" and inserting in lieu thereof the amount: "$163,800";

line 18, by deleting the amount "$167,300" and inserting in lieu thereof the amount: "$174,100";

line 22, by deleting the amount "$-0-" and inserting in lieu thereof the amount: "$200,000";

line 23, by deleting the amount "$-0-" and inserting in lieu thereof the amount: "$200,000";

line 23, after line 23, by adding the following: "The Office of the Secretary of Education and Humanities Cabinet shall be responsible for oversight and coordinating activities for all agencies within the Education and Humanities Cabinet except for the Department of Education, which shall remain under the exclusive direction of the Superintendent of Public Instruction";

Page 37, line 2, by deleting the amount "$1,190,510,300" and inserting in lieu thereof the amount: "$1,190,586,600";

line 3, by deleting the amount "$1,259,252,400" and inserting in lieu thereof the amount: "$1,261,130,900";

line 8, by deleting the amount "919,300" and inserting in lieu thereof the amount: "$915,300";

line 11, by deleting the amount "$6,987,300" and inserting in lieu thereof the amount: "$6,968,200";

line 14, after the word "year" by inserting the following: "which may be used for the";

line 16, by deleting the amount "$143,900" and inserting in lieu thereof the amount: "$143,400";

line 19, by deleting the amount "848,100" and inserting in lieu thereof the amount: "$846,100";

line 20, by deleting the amount "$790,000" and inserting in lieu thereof the amount: "$790,800";

line 23, by deleting the amount "$8,898,600" and inserting in lieu thereof the amount: "$8,873,000";

Page 38, line 3, by deleting the amount "$1,494,400" and inserting in lieu thereof the amount: "$1,500,700";

line 4, by deleting the amount "$1,970,700" and inserting in lieu thereof the amount: "$2,038,200";

line 10, by deleting the amount "$220,900" and inserting in lieu thereof the amount: "$222,500";

line 11, by deleting the amount "$220,800" and inserting in lieu thereof the amount: "$232,000";

line 13, by deleting the amount "$143,000" and inserting in lieu thereof the amount: "$144,000";

line 14, by deleting the amount "$147,800" and inserting in lieu thereof the amount: "$153,300";

line 16, by deleting the amount "$5,167,100" and inserting in lieu thereof the amount: "$5,189,900";

line 17, by deleting the amount "$5,289,600" and inserting in lieu thereof the amount: "$5,410,900";

line 19, by deleting the amount "$5,894,300" and inserting in lieu thereof the amount: "$5,909,400";

line 20, by deleting the amount "$6,725,700" and inserting in lieu thereof the amount: "$6,813,800";

line 22, by deleting the amount "$1,882,900" and inserting in lieu thereof the amount: "$1,916,000;

line 23, by deleting the amount "$1,940,600" and inserting in lieu thereof the amount: "$1,979,800";

line 26, by deleting the amount "$14,802,600" and inserting in lieu thereof the amount: "$14,882,500";

Page 39, line 1, by deleting the amount "$16,295,200" and inserting in lieu thereof the amount: "$16,628,000";

line 5, by deleting the amount "$4,569,100" and inserting in lieu thereof the amount: "$4,665,800";

line 6, by deleting the amount "$4,662,000" and inserting in lieu thereof the amount: "$4,839,500"; and

after line 6, by adding the following: "Included in the above appropriation is $369,900 in fiscal year 1984-85 and $387,400 in fiscal year 1985-86 for expenditures by Western Kentcuky University through the Owensboro Consortium for upper division, graduate and continuing education course offerings in Owensboro-Davies County, Kentucky. These amounts are not intended for course offerings at the lower divisions associate degree level, nor are these funds intended to supplement tuition payments made to any private college."

line 25, by deleting the words, "The funds identified for the Desegregation Plan are recurring only for the term of the Plan as approved by the Office of Civil Rights in June 1983.", and inserting in lieu thereof the words: "The funds identified for the Desegregation Plan are recurring in support of the Plan activities as approved by the Office of Civil Rights in June 1983";

Page 40, line 11, by deleting the words, "The funds identified for the Desegregation Plan are recurring only for the term of the Plan as approved by the Office of Civil Rights in June 1983.", and inserting in lieu thereof the words: "The funds identified for the Desegregation Plan are recurring in support of the Plan activities as approved by the Office of Civil Rights in June 1984.";

line 23, by deleting the words, "The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.", and inserting in lieu thereof the words: "The funds identified for the Desegregation Plan are recurring in support of the Plan activities as approved by the Office of Civil Rights in June 1983.";

Page 41, line 9, by deleting the words, "The funds identified for the desegregation plan are recurring only for the term of the Plan as approved by the Office of Civil Rights in June 1983.", and inserting in lieu thereof the words: "The funds identified for the Desegregation Plan are recurring in support of the Plan activities as approved by the Office of Civil Rights in June 1983.";

line 21, by deleting the words, "The funds identified for the desegregation plan are recurring only for the term of the Plan as approved by the Office of Civil Rights in June 1983.", and inserting in lieu thereof the words: "The funds identified for the Desegregation Plan are recurring in support of the Plan activities as approved by the Office of Civil Rights in June 1983.";

Page 42, line 7, by deleting the words, "The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.", and inserting in lieu thereof the words: "The funds identified for the Desegregation Plan are recurring in support of the Plan activities as approved by the Office of Civil Rights in June 1983.";

Page 42, line 13, by deleting the amount "$94,695,800" and inserting in lieu thereof the amount: "$95,012,300";

line 14, by deleting the amount "$99,312,500" and inserting in lieu thereof the amount: "$99,742,100";

line 19, by deleting the words, "The funds identified for the Desegregation Plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983", and inserting in lieu thereof the words: "The funds identified for the Desegregation Plan are recurring in support of the Plan activities as approved by the Office of Civil Rights in June 1983";

Page 43, line 2, by deleting the amount "$177,039,600" and inserting in lieu thereof the amount: "$178,153,100";

line 3, by deleting the amount "$186,675,000" and inserting in lieu thereof the amount: "$187,829,100";

line 7, by deleting the amount "$2,590,700" and inserting in lieu thereof the amount: "$3,085,700";

line 7, by deleting the amount "$2,582,200" and inserting in lieu thereof the amount: "$3,077,200";

line 11, by deleting the words, "The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.", and inserting in lieu thereof the words: "The funds identified for the Desegregation Plan are recurring in support of the Plan activities as approved by the Office of Civil Rights in June 1983.";

after line 13, by adding the following: "Included in the above appropriation is $110,000 in fiscal year 1984-85 and $110,000 in fiscal year 1985-86 for capital equipment projects of the University of Kentucky College of Agriculture regulatory services function, one of which is contained in Part V.";

line 16, by deleting the amount "$29,291,500" and inserting in lieu thereof the amount: "$29,936,500"; and by deleting the amount "$31,511,700" and inserting in lieu thereof the amount: "$32,231,500";

line 20, by deleting the words, "The funds identified for the desegregation plan are recurring only for the term of the plan as approved by the Office of Civil Rights in June 1983.", and inserting in lieu thereof the words: "The funds identified for the Desegregation Plan are recurring in support of the Plan activities as approved by the Office of Civil Rights in June 1983.";

line 23, by adding the following: "Also included in the appropriation to the Community College System is $150,000 in fiscal year 1984-85 and $225,000 in fiscal year 1985-86 for community college course offerings in Owensboro, Davies County, Kentucky."

line 26, by deleting the amount "$426,501,600" and inserting in lieu thereof the amount: "$427,947,300";

Page 44, line 1, by deleting the amount "$452,628,700" and inserting in lieu thereof the amount: "$454,303,900";

line 7, by deleting the amount "$35,921,400" and inserting in lieu thereof the amount: "$36,302,400";

line 8, by deleting the amount "$36,499,300" and inserting in lieu thereof the amount: "$37,448,800";

Page 45, line 15, by deleting the amount "$259,700" and inserting in lieu thereof the amount: "$261,100";

line 16, by deleting the amount "$269,200" and inserting in lieu thereof the amount: "$273,500";

line 25, by deleting the amount "$94,708,100" and inserting in lieu thereof the amount: "$95,154,100";

line 26, by deleting the amount "$107,090,300" and inserting in lieu thereof the amount:

"$108,123,000";

Page 46, line 5, by deleting the amount "$41,849,800" and inserting in lieu thereof the amount: "$42,605,200";

line 6, by deleting the amount "$41,901,400" and inserting in lieu thereof the amount: "$42,925,800";

line 13, by deleting the amount "$11,157,300" and inserting in lieu thereof the amount: "$11,204,500";

line 14, by deleting the amount "$10,971,000" and inserting in lieu thereof the amount: "$10,987,800";

Page 47, line 14, by deleting the word "and", and inserting in lieu thereof the word: "with";

line 15, by deleting the word, "shall", and inserting in lieu thereof the word: "to";

line 21, by deleting the amount "$391,401,000" and inserting in lieu thereof the amount: "$393,032,000";

line 22, by deleting the amount "$414,142,600" and inserting in lieu thereof the amount: "$417,170,300";

Page 48, line 1, by deleting the amount "$1,893,600" and inserting in lieu thereof the amount: "$1,916,700";

line 2, by deleting the amount "$1,937,800" and inserting in lieu thereof the amount: "$1,992,600";

line 4, by deleting the amount "$53,813,000" and inserting in lieu thereof the amount: "$55,907,200";

line 5, by deleting the amount "$55,806,800" and inserting in lieu thereof the amount: "$59,357,500";

line 15, by deleting the amount "$1,285,300" and inserting in lieu thereof the amount: "$1,349,300";

line 16, by deleting the amount "$1,241,900" and inserting in lieu thereof the amount: "$1,349,100";

line 19, by deleting the amount "$56,991,900" and inserting in lieu thereof the amount: "$59,173,200";

line 20, by deleting the amount "$58,986,500" and inserting in lieu thereof the amount: "$62,699,200";

line 25, by deleting the amount "$38,000" and inserting in lieu thereof the amount: "$37,700";

Page 49, line 2, by deleting the amount "$1,369,900" and inserting in lieu thereof the amount: "$1,343,800";

line 6, by deleting the amount "$1,407,900" and inserting in lieu thereof the amount: "$1,381,500";

line 13, by deleting the amount "$6,853,500" and inserting in lieu thereof the amount: "$6,837,500";

line 14, by deleting the amount "$7,482,400" and inserting in lieu thereof the amount: "$7,478,900";

line 24, by deleting the amount "$7,605,200" and inserting in lieu thereof the amount: "$7,861,000";

line 25, by deleting the amount "$8,726,300" and inserting in lieu thereof the amount: "$8,994,700";

Page 50, line 2, by deleting the amount "$6,240,200" and inserting in lieu thereof the amount: "$6,213,300";

line 3, by deleting the amount "$6,672,100" and inserting in lieu thereof the amount: "$6,665,200";

line 10, by deleting the amount "$2,617,900" and inserting in lieu thereof the amount: "$2,619,100";

line 11, by deleting the amount "$2,746,400" and inserting in lieu thereof the amount: "$2,744,100";

line 15, by deleting the amount "$23,316,800" and inserting in lieu thereof the amount: "$23,530,900";

line 16, by deleting the amount "$25,626,900" and inserting in lieu thereof the amount: "$25,882,900";

line 19, by deleting the amount "$76,400" and inserting in lieu thereof the amount: "$76,600";

line 23, by deleting the amount "$165,400" and inserting in lieu thereof the amount: "$165,600";

line 24, by deleting the amount "$171,600" and inserting in lieu thereof the amount: "$172,600";

Page 51, line 2, by deleting the amount "$23,558,600" and inserting in lieu thereof the amount: "$23,773,100";

line 3, by deleting the amount "$25,878,700" and inserting in lieu thereof the amount: "$26,135,300";

line 8, by deleting the amount "$321,800" and inserting in lieu thereof the amount: "$317,000";

line 13, by deleting the amount "$1,316,900" and inserting in lieu thereof the amount: "$1,304,900";

line 18, by deleting the amount "$757,500" and inserting in lieu thereof the amount: "$754,200";

line 23, by deleting the amount "$210,600" and inserting in lieu thereof the amount: "$208,800";

Page 52, line 2, by deleting the amount "$3,247,800" and inserting in lieu thereof the amount: "$3,236,800";

line 6, by deleting the amount "$1,570,500" and inserting in lieu thereof the amount: "$1,647,900";

line 7, by deleting the amount "$1,628,100" and inserting in lieu thereof the amount: "$1,786,500";

line 10, by deleting the amount "$409,000" and inserting in lieu thereof the amount: "$408,500";

line 14, by deleting the amount "$473,900" and inserting in lieu thereof the amount: "$472,200";

line 20, by deleting the amount "$122,500" and inserting in lieu thereof the amount: "$121,700";

line 24, by deleting the amount "$6,046,600" and inserting in lieu thereof the amount: "$6,004,000";

Page 53, line 2, by deleting the amount "$6,429,900" and inserting in lieu thereof the amount: "$6,445,600";

line 3, by deleting the amount "$6,604,900" and inserting in lieu thereof the amount: "$6,765,500";

line 6, by deleting the amount "$6,684,100" and inserting in lieu thereof the amount: "$3,655,100";

line 11, by deleting the amount "$273,100" and inserting in lieu thereof the amount: "$271,000";

line 16, by deleting the amount "$24,864,200" and inserting in lieu thereof the amount: "$24,847,700";

line 17, by deleting the amount "$24,770,500" and inserting in lieu thereof the amount: "$24,847,700";

line 22, by deleting the amount "$494,400" and inserting in lieu thereof the amount: "$491,200";

line 25, by deleting the amount "$4,199,000" and inserting in lieu thereof the amount: "$4,173,000";

Page 54, line 2, by deleting line 2 in its entirety;

line 3, by deleting the amount "$21,952,300" and inserting in lieu thereof the amount: "$21,812,300";

line 5, and after line 5, by adding the following:

"1983-84 .... $500,000";

line 6, by deleting the amount "$14,138,900" and inserting in lieu thereof the amount: "$14,010,500";

line 7, by deleting the amount "$14,706,870" and inserting in lieu thereof the amount: "$14,706,700";

line 7, by deleting the amount "$11,226,800" and inserting in lieu thereof the amount: "$11,117,900";

by deleting lines 14 and 15 in their entirety and inserting in lieu thereof the following: "tors shall receive a two percent (2%) salary increase in fiscal year 1984-85 and three percent (3%) in fiscal year 1985-86."

line 19, by deleting the amount "$40,784,600" and inserting in lieu thereof the amount: "$40,487,000";

line 24, by deleting the amount "$579,600" and inserting in lieu thereof the amount: "$577,300";

Page 55, line 2, by deleting the amount "$3,123,400" and inserting in lieu thereof the amount: "$3,120,000";

line 6, by deleting the amount "$14,784,600" and inserting in lieu thereof the amount: "$14,764,000";

line 10, by deleting the amount "$1,941,800" and inserting in lieu thereof the amount: "$1,991,800";

line 11, by deleting the amount "$1,851,700" and inserting in lieu thereof the amount: "$1,901,700";

Page 56, line 4, by deleting the amount "$5,505,700" and inserting in lieu thereof the amount: "$5,941,200";

line 5, by deleting the amount "$5,546,000" and inserting in lieu thereof the amount: "$6,003,300";

after line 8, by adding the following: "Also included in the above appropriation is "$435,500" in fiscal year 1984-85 and "$457,300" in fiscal year 1985-86 for the North American International Livestock Exposition. The director of the North American International Livestock Exposition shall be appointed by the Governor upon the recommendation of the North American International Livestock Exposition Executive Committee. It is the policy and the intent of the General Assembly that the North American International Livestock Exposition be transferred from the Department of Agriculture to the Kentucky State Fair Board. It is also the policy and intent of the General Assembly to transfer from the Department of Agriculture to the Kentucky State Fair Board all funds, personnel, records, and equipment associated with the North American International Livestock Exposition in order that the Exposition be able to carry out all functions heretofore performed.

line 11, by deleting the amount "$26,099,900" and inserting in lieu thereof the amount: "$26,559,100";

line 12, by deleting the amount "$29,717,800" and inserting in lieu thereof the amount:

"$30,225,100";

line 17, by deleting the amount "$296,400" and inserting in lieu thereof the amount: "$294,800";

line 20, by deleting the amount "$1,420,000" and inserting in lieu thereof the amount: "$1,416,100";

Page 57, line 11, by deleting the amount "$76,000" and inserting in lieu thereof the amount: "$75,800";

line 14, by deleting the amount "$555,400" and inserting in lieu thereof the amount: "$554,000";

line 18, by deleting the amount "$2,347,800" and inserting in lieu thereof the amount: "$2,340,700";

line 23, by deleting the amount "$2,411,738,800" and inserting in lieu thereof the amount: "$2,418,797,800";

line 24, by deleting the amount "$2,553,777,100" and inserting in lieu thereof the amount "$2,569,058,300";

Page 63, line 20, by deleting the amount "$329,500" and inserting in lieu thereof the amount "$320,200";

line 21, by deleting the amount "$351,500" and inserting in lieu thereof the amount: "$329,300";

Page 64, line 20, by deleting the amount "$249,600" and inserting in lieu thereof the amount: "$244,600";

line 20, by deleting the amount "$270,700" and inserting in lieu thereof the amount: "$265,300";

line 21, by deleting the amount "$77,000" and inserting in lieu thereof the amount: "$75,500"; and by deleting the amount "$79,000" and inserting in lieu thereof the amount: "$77,400";

line 22, by deleting the amount "$99,400" and inserting in lieu thereof the amount: "$97,400"; and by deleting the amount "$104,000" and inserting in lieu thereof the amount: "$101,900";

line 23, by deleting the amount "$108,100" and inserting in lieu thereof the amount: "$105,900"; and by deleting the amount "$111,400" and inserting in lieu thereof the amount "$109,200";

Page 64, line 25, by deleting the amount "$42,500" and inserting in lieu thereof the amount "$41,700"; and by deleting the amount "$44,000" and inserting in lieu thereof the amount: "$43,100";

Page 65, line 1, by deleting the amount "$243,800" and inserting in lieu thereof the amount: "$238,900";

line 1, by deleting the amount "$259,800" and inserting in lieu thereof the amount: "$254,600";

line 3, by deleting the amount "$86,000" and inserting in lieu thereof the amount: "$84,300"; and by deleting the amount "$88,000" and inserting in lieu thereof the amount: "$86,300";

line 5, by deleting the amount "$289,200" and inserting in lieu thereof the amount: "$283,400"; and by deleting the amount "$295,200" and inserting in lieu thereof the amount: "$289,300";

line 7, by deleting the amount "$485,900" and inserting in lieu thereof the amount: "$476,200"; and by deleting the amount "$518,300" and inserting in lieu thereof the amount: "$517,900";

line 9, by deleting the amount "$10,100" and inserting in lieu thereof the amount: "$9,900"; and by deleting the amount "$10,300" and inserting in lieu thereof the amount: "$10,100";

line 11, by deleting the amount "$10,400" and inserting in lieu thereof the amount: "$10,200"; and by deleting the amount "$11,600" and inserting in lieu thereof the amount: "$11,400";

line 13, by deleting the amount "$489,200" and inserting in lieu thereof the amount: "$479,400"; and by deleting the amount "$593,000" and inserting in lieu thereof the amount: "$581,100";

line 14, by deleting the amount "$861,000" and inserting in lieu thereof the amount: "$843,800"; and by deleting the amount "$936,800" and inserting in lieu thereof the amount: "$918,100";

line 16, by deleting the amount "$40,900" and inserting in lieu thereof the amount: "$40,100"; and by deleting the amount "$44,500" and inserting in lieu thereof the amount: "$43,600";

line 18, by deleting the amount "$12,200" and inserting in lieu thereof the amount: "$12,000"; and by deleting the amount "$13,000" and inserting in lieu thereof the amount: "$12,700";

line 20, by deleting the amount "$40,800" and inserting in lieu thereof the amount: "$40,000";

line 21, by deleting the amount "$279,900" and inserting in lieu thereof the amount: "$274,300"; and by deleting the amount "$291,600" and inserting in lieu thereof the amount: "$285,800";

line 23, by deleting the amount "$50,700" and inserting in lieu thereof the amount: "$49,700"; and by deleting the amount "$51,200" and inserting in lieu thereof the amount: "$50,200";

line 24, by deleting the amount "$3,000" and inserting in lieu thereof the amount: "$2,900"; and by deleting the amount "$3,000" and inserting in lieu thereof the amount: "$2,900";

Page 66, line 1, by deleting the amount "$22,500" and inserting in lieu thereof the amount: "$22,100"; and by deleting the amount "$23,500" and inserting in lieu thereof the amount: "$23,000";

line 4, by deleting the amount "$469,400" and inserting in lieu thereof the amount: "$460,000"; and by deleting the amount "$483,800" and inserting in lieu thereof the amount: "$474,100";

line 7, by deleting the amount "$462,300" and inserting in lieu thereof the amount: "$453,100"; and by deleting the amount "$520,000" and inserting in lieu thereof the amount: "$509,600";

line 8, by deleting the amount "$39,200" and inserting in lieu thereof the amount: "$38,400"; and by deleting the amount "$39,400" and inserting in lieu thereof the amount: "$38,600";

line 11, by deleting the amount "$9,800" and inserting in lieu thereof the amount: "$9,600"; and by deleting the amount "$10,300" and inserting in lieu thereof the amount: "$10,100";

line 13, by deleting the amount "$66,900" and inserting in lieu thereof the amount: "$65,600"; and by deleting the amount "$66,900" and inserting in lieu thereof the amount: "$65,600";

Page 67, line 25, by deleting the amount "$1,477,100" and inserting in lieu thereof the amount: "$607,700";

line 26, by deleting the amount "$1,522,100" and inserting in lieu thereof the amount: "$630,200";

Page 68, line 24, by deleting the amount "$17,847,900" and inserting in lieu thereof the amount: "$19,447,900";

line 25, by deleting the amount "$19,409,200" and inserting in lieu thereof the amount: "$21,009,200";

Page 68, line 12, by deleting the amount "$6,992,200" and inserting in lieu thereof the amount: "$7,029,400";

line 13, by deleting the amount "$7,843,300" and inserting in lieu thereof the amount: "$8,005,300";

Page 72, line 2, by inserting the word "and";

line 3, after the word "Program" delete the comma (,) and insert in lieu thereof a period (.) and after the period (.), delete the word "and";

line 4 and 5, delete lines 4 and 5 in their entirety;

line 8, by deleting the amount "$202,677,700" and inserting in lieu thereof the amount: "$202,177,700";

after line 9, by adding the following: "The Secretary of Finance and Administration is hereby directed to transfer the sum of $500,000 from the balance in the Tobacco Research Trust Fund to the General Fund Surplus Account on or before July 31, 1984."

Page 74, line 3, by deleting the amount "$4,338,400" and inserting in lieu thereof the amount: "$4,940,800";

line 4, by deleting the amount "$4,338,400" and inserting in lieu thereof the amount: "$6,429,300"; and after line 4, by adding the following: "Included in the above appropriation is $630,000 in fiscal year 1984-85 and $630,000 in fiscal year 1985-86 for debt service in lieu of rent for the L. and N. building; project identified in Part V."

line 9, by deleting the amount "$8,731,700" and inserting in lieu thereof the amount: "$8,729,700";

line 22, by deleting the amount "$123,700" and inserting in lieu thereof the amount: "$121,700";

Page 75, line 10, by deleting the amount "$1,655,500" and inserting in lieu thereof the amount: "$1,643,200";

line 13, by deleting the amount "$1,914,400" and inserting in lieu thereof the amount: "$1,900,400";

line 16, by deleting the amount "$62,620,000" and inserting in lieu thereof the amount: "$62,564,600";

Page 76, line 2 through 9, by deleting lines 2 through 9 in their entirety and inserting in lieu thereof the following:

"The maximum expenditure from the water patrol fund as established by KRS 235.330 is limited to $1,675,000 in fiscal year 1984-85 and $1,650,000 in fiscal year 1985-86, including $175,000 in fiscal year 1984-85 and $150,000 in fiscal year 1985-86 for the operation of the locks and dams on the Kentucky River. Any receipts in excess of the above limits including balance brought forward from fiscal year 1983-84 in each respective fiscal year shall be transferred to the Division of Water or Division Waste Management as determined by the Secretary of the Finance and Administration Cabinet.

Page 77, line 5, by deleting the amount "$2,547,200" and inserting in lieu thereof the amount: "$2,526,100";

line 8, by deleting the word "surplus" and inserting in lieu thereof the word "balance";

by deleting line 10 in its entirety and inserting in lieu thereof the following: "or before July 31, 1984."

line 13, by deleting the amount "$262,700" and inserting in liu thereof the amount: "$261,600";

line 18, by deleting the amount $10,516,100" and inserting in lieu thereof the amount: "$10,477,900";

line 22, by deleting the amount "$1,700,000" and inserting in lieu thereof the amount: "$1,689,700";

line 26, by deleting the amount "$3,283,600" and inserting in lieu thereof the amount: "$3,276,600";

Page 78, line 4, by deleting the amount "$597,700" and inserting in lieu thereof the amount: "$597,600";

line 8, by deleting the amount "$586,900" and inserting in lieu thereof the amount: "$584,600";

line 12, by deleting the amount "$88,800" and inserting in lieu thereof the amount: "$88,200";

line 16, by deleting the amount "$1,185,500" and inserting in lieu thereof the amount: "$1,174,000";

Page 79, line 4, by deleting the amount "$727,500" and inserting in lieu thereof the amount: "$721,300";

line 7, by deleting the amount "$391,500" and inserting in lieu thereof the amount: "$387,300";

line 12, by deleting the amount "$31,725,100" and inserting in lieu thereof the amount: "$31,581,300";

line 13, by deleting the amount "$29,634,000" and inserting in lieu thereof the amount: "$29,529,800";

line 20, by deleting the amount "$2,993,200" and inserting in lieu thereof the amount: "$2,982,600";

line 21, by deleting the amount "$3,104,000" and inserting in lieu thereof the amount: "$3,246,000";

line 24, by deleting the amount "$13,104,000" and inserting in lieu thereof the amount: "$12,994,200";

line 25, by deleting the amount "$13,574,100" and inserting in lieu thereof the amount: "$13,509,600";

Page 80, line 1, by deleting the words, "beginning of each fiscal quarter";

by deleting lines 2-6 in their entirety and inserting in lieu thereof the following: "end of each fiscal quarter funds representing investment income and other sources of revenue not related to federal aid programs. The lapse of funds pursuant to this provision shall not exceed $1,128,000 in FY 1984-85 and shall not exceed $1,150,000 in FY 1985-86."

line 9, by deleting the amount "$12,800,200" and inserting in lieu thereof the amount: "$13,666,000";

line 10, by deleting the amount "$13,483,300" and inserting in lieu thereof the amount "$14,375,200";

Page 84, line 25, by deleting the amount "$2,123,500" and inserting in lieu thereof the amount: "$2,108,400";

line 26, by deleting the amount "$2,234,500" and inserting in lieu thereof the amount: "$2,223,200";

Page 89, line 17, by deleting the amount "$69,080,900" and inserting in lieu thereof the amount: "$73,517,900";

line 18, by deleting the amount "$68,200,000" and inserting in lieu thereof the amount: "$70,900,000";

line 20, by deleting the amount "$39,311,000" and inserting in lieu thereof the amount: "$42,513,800"; and by deleting the amount "$46,484,400" and inserting in lieu thereof the amount: "$42,524,600";

line 22, by deleting the word, "shall", and inserting in lieu thereof the word: "may";

Page 90, after line 8, and after line 8 by adding the following:, "Included in the above appropriation is $1,170,000 in fiscal year 1984-85 and $1,170,000 in fiscal year 1985-86 for debt service in lieu of rent for the L and N building project identified in Part V."

line 22, by deleting the amount "$344,100" and inserting in lieu thereof the amount: "$341,600";

line 25, by deleting the amount "$1,937,300" and inserting in lieu thereof the amount: "$1,934,800";

line 26, by deleting the amount "$378,400" and inserting in lieu thereof the amount: "$2,131,600";

Page 91, line 17, by deleting the amount "$11,676,900" and inserting in lieu thereof the amount: "$11,649,900";

line 18, by deleting the amount "$12,225,300" and inserting in lieu thereof the amount: "$12,218,300";

Page 91, line 3, by deleting the amount "$260,900" and inserting in lieu thereof the amount: "$258,500";

line 25, by deleting the amount "$492,700" and inserting in lieu thereof the amount: "$489,100";

Page 92, line 7, by deleting the amount "$106,100" and inserting in lieu thereof the amount: "$105,200";

line 12, by deleting the amount "$3,900,000" and inserting in lieu thereof the amount: "$3,866,600";

line 13, by deleting the amount "$4,158,900" and inserting in lieu thereof the amount: "$4,134,700";

Page 93, line 20, by deleting the amount "$35,610,200" and inserting in lieu thereof the amount: "$35,188,500";

line 21, by deleting the amount "$37,513,600" and inserting in lieu thereof the amount: "$37,263,800";

line 23, by deleting the amount "$426,939,800" and inserting in lieu thereof the amount: "$427,361,500";

line 24, by deleting the amount "$437,787,600" and inserting in lieu thereof the amount: "$438,036,200";

line 26, before the word "in" by deleting the amount "$22,098,400" and inserting in lieu thereof "$17,110,500";

line 26, after the word "and" by deleting the amount "$11,807,400" and inserting in lieu thereof "$11,756,600";

Page 94, line 17, after the word "the" by deleting the number "85" and inserting in lieu thereof "84"

line 19, by deleting the amount "$17,792,500" and inserting in lieu thereof the amount: "$23,900,000";

line 20, by deleting the amount "$35,585,000" and inserting in lieu thereof the amount: "$35,885,800";

line 21, by inserting after the period "(.)" the following: "The Secretary of the Finance and Administration Cabinet has the authority to structure the issuance of the bonds to conform to the debt service levels appropriated by the General Assembly each fiscal year in this Act."

Page 96, lines 5-14, by deleting lines 5-14 in their entirety;

line 25, by deleting the words "Capital Construction" and adding the following:

"CAPITAL CONSTRUCTION FUND

Monies in the Capital Construction fund are appropriated for the following capital projects. Items listed without appropriated amounts are previously authorized for which no additional amount is required. These items are listed in order to continue their current authorization into the 1984-86 biennium.";

Page 97, line 10, after the word "project" by deleting the semicolon";" and inserting a comma ",";

line 17, after the word "agencies" by inserting the following: "except for the projects delineated above";

Page 101, after line 2, by adding the following:

"5. Office of the Superintendent of Public Instruction

(a) General Purposes Building			
	General Fund	$250,000	-0-
(b) General Purpose Building			
	General Fund	-0-	$250,000"

Page 106, after line 20, by adding the following:

Disk Drive
Bond Fund (1983-84 $84,200)

Disk Drive
Bond Fund (1983-84 $84,200)

Disk Drive
Bond Fund (1983-84 $116,000)";

Page 119, line 21, by deleting line 21 in its entirety and inserting in lieu thereof the following: "Agency Fund -0- 261,000";

Page 120, line 23, by deleting line 23 in its entirety and inserting in lieu thereof the following: "Agency Fund";

line 26, by deleting line 26 in its entirety and inserting in lieu thereof the following: "Agency fund";

Page 123, line 8, by deleting the amount "$300,000" and inserting in lieu thereof the amount: "$2,200,000";

line 23, by deleting line 23 in its entirety and inserting in lieu thereof the following: "Agency fund -0- #75,000";

line 26, by deleting line 26 in its entirety and inserting in lieu thereof he following: "Agency fund";

Page 124, line 7, by deleting the amount "$60,000" and inserting in lieu thereof the amount "$145,000";

Page 126, line 21, by deleting the line 21 in its entirety and inserting in lieu thereof the following: "Bond fund $4,360,000"

Page 128, line 4, by deleting the amount "$187,000";

Page 129, line 25, by deleting the amount "$125,000";

Page 131, line 7, by deleting the amount "$60,000";

Page 132, line 9, by deleting the amount "$50,000";

line 15, by deleting the amount "$140,000";

line 18, by deleting the amount "$66,000";

line 23, by deleting the amount "$71,000";

line 26, by deleting the amount "$200,000";

Page 133, line 4, by deleting the amount "$80,000";

Page 133, lines 5, 6, and 7, by deleting lines 5, 6, and 7 in their entirety;

Page 136, line 6, by deleting line 6 in its entirety and inserting in lieu thereof the following: "Circulation II"

line 7, by deleting line 7 in its entirety and inserting in lieu thereof the following: "Agency funds 250,000 -0-";

line 15, by deleting the amount "$225,000";

Page 138, after line 13, by adding the following:

"Hospital Expansion
-Phase II
Bond Fund 75,406,500

Hospital Expansion
-Phase III
Bond Fund 16,726,700

Prestonsburg Community College
Technical Building/Learning
Resource Center
Bond Fund 2,500,000

Hazard Community College
Technical Building/Learning
Resource Center
Bond Fund 2,500,000

For the capital equipment project displayed in this section as a General Fund supported project, it is anticipated that these funds shall be transferred from the operating fund at such time as funds are available and needed. The total project cost shown does not reflect an addition to the operating fund appropriation.

DEC PDP 11/34
Computer
General Fund 75,000

Page 140, line 13, by deleting the word "bond" and inserting the word "Agency";

Page 141, after line 24,

1c. Eastern State Hospital
Roof Replacement Building #50
General Fund 200,000

Page 142, after line 11, by adding the following:

"b. L & N Building-Purchase
Renovation
Bond Fund 15,000,000

line 15, by deleting the amounts "$590,000 and $100,000";

line 16, by adding the following:

"Investment Income $590,000 $100,000

Page 143, after line 2, by adding the following: "For utility lines and roadways";

line 11, after line 11, by adding the following:

"7. Murray Armory

General Fund	500,000
Federal Fund	*1,200,000*
Federal Fund	1,700,000";

line 21, after line 21, by adding the following:

"Maxey Flats Compactor Roller Agency Fund	89,000	
Road Grader Agency Fund		125,000";

Page 144, line 19, by deleting the amount "$400,000" and inserting in lieu thereof the amount: "$600,000";

Page 146, line 15, by deleting the words: "The provision";

line 16, by deleting the words, "of KRS 45.750 through 45.990 notwithstanding,";

Page 147, lines 9 through 11, by deleting the words "Included in the above appropriation is an Economic Development bond authorization of $25 million for fiscal year 1985-86."

lines 20 and 21, by deleting the words ", the provisions of KRS 45.750 through 45.990 notwithstanding."

Page 149, line 26, by inserting before the period (.) the following: ", unless otherwise provided in this Act."

Page 150, line 6, by deleting the words "appropriate work papers" and inserting in lieu thereof the following: "budget memorandum"; and by inserting after the word "other" the word "pertinent";

line 6, by deleting the words "pertaining thereto";

line 18, by inserting after the word "documentation" the following: "the budget memorandum";

Page 151, line 4, by inserting after the word "Management", the following: "as provided in each part of this Act or by law,";

line 4, by inserting a comma (,) after the word "documents";

Page 153, line 23, by deleting the word "Surplus" and inserting in lieu thereof the word "budget";

line 25, by inserting before the word "official" the word "final";

Page 154, line 1, by deleting the word "Surplus" and inserting in lieu thereof the word "Budget";

line 2, by deleting the following: "97.0 percent of";

line 3, by deleting the comma (,) after the date "1984-85";

line 4, by deleting the following: "shall be appropriated 97.7 percent of the General Fund excess amount in";

line 6, by deleting the word "Surplus" and inserting in lieu thereof the word "Budget";

line 10, by inserting before the period (.) the following: "or other general biennial appropriations bills";

Page 154, line 17, by deleting the following: "at least 2 1/2 percent but not more than 5 percent";

line 19, by inserting before the word "revenue" the word "final";

line 21, by inserting before the period (.) the following: "as modified by the General Assembly";

line 23, by inserting at the end of line 23 the following: "the Budget Reserve Trust Fund or the";

Page 155, line 2, by deleting the period and inserting the following "in accordance with provisions in the final budget memorandum. The itemized budget units to be affected by any additional reductions pursuant to KRS 48.130 shall be specified in the fiscal budget memorandum. A surplus expenditure plan pursuant to KRS 48.140 shall be established only for the Road Fund in the fiscal budget memorandum; and

by deleting lines 3-16 in their entirety and inserting in lieu thereof the following:

"PART VII
STATE OFFICERS SALARIES

1. It is the finding of the General Assembly of the Commonwealth of Kentucky that the financial condition of state government requires the following action.

2. Notwithstanding the provisions of KRS 15.755, 15.765, 18A.355, 64.055, 64.480, and 64.485, the salaries of the various state officials for fiscal year 1984-85 and fiscal year 1985-86 shall be as provided for in this Act.

3 a. If at the close of fiscal year 1984-85 it is found that General Fund receipts for fiscal year 1984-85 exceeded the sum of General Fund expenditures for the same fiscal year and an amount equal to three percent (3%) of such expenditures, such excess is hereby appropriated for fiscal year 1985-86 to each budget unit in an amount sufficient to provide an annual salary increment in fiscal year 1985-86 for elected officials and non-elected personnel of state government subject to the provisions of KRS 15.755, 15.765, 18A.355, 64.055, 64.480, 64.527, 132.590, and Section D 29 (C) of this Act. The salary increment provided for herein shall not exceed the lessor value of five percent (5%) or the increase in consumer price index as established by the U.S. Department of Commerce for the period between February 1, 1984 and February 1, 1985.

b. Funds appropriated under the provisions of paragraph a. above, are in addition to funds otherwise appropriated in this Act and other general appropriation bills for fiscal year 1985-86 for salaries for the respective elected officials and non-elected personnel of state government.

c. Monies are hereby appropriated to the extent required from agency and federal funds consistent with this section for their prorated share of the annual salary increment.

Page 155, line 16, by adding the following:

PART VIII
FUND TRANSFER

1. It is the finding of the General Assembly of the Commonwealth of Kentucky that the financial condition of state government requires the following action.

2. There is hereby transferred from the agency and special funds enumerated below to the general fund the following amounts in fiscal years 1984-85 and 1985-86.

	1984-85	*1985-86*
1. Board of Accountancy (KRS 325.250)	5,000	5,400
2. Board of Architects (KRS 323.190, 323.210)	1,500	1,600
3. Board of Auctioneers (KRS 330.050(6))	2,000	2,100
4. Board of Barbers (KRS 317.530, 317.560)	2,200	2,200
5. Board of Chiropractic Examiners (KRS 312.019(6))	900	900
6. Board of Dental Examiners (KRS 313.350)	4,900	5,200

7.	Board of Embalmers and Funeral Directors (KRS 316.210 (1-6))	1,700	1,800
8.	Board of Engineers and Land Surveyors (KRS 322.290, 322.330 KRS 322.420)	5,800	5,900
9.	Board of Hairdressers and Cosmetologists (KRS 317A.080)	9,700	10,400
10.	Board of Hearing Aid Dealers (KRS 334.160)	200	200
11.	Board of Landscape Architects (KRS 323A.190, 323A.210)	200	200
12.	Board of Medical Licensure (KRS 311.610)	9,800	11,900
13.	Board of Nursing (KRS 314.161)	17,200	18,700
14.	Nursing Home Administrators Licensure Board (KRS 216A.110)	800	900
15.	Board of Ophthalmic Dispensers (KRS 326.120)	200	300
16.	Board of Optometric Examiners (KRS 320.360)	800	800
17.	Board of Pharmacy (KRS 315.195)	5,600	5,800
18.	Board of Physical Therapy (KRS 327.080)	1,000	1,000
19.	Board of Podiatry (KRS 311.450)	100	100
20.	Board of Proprietary Education	-0-	-0-
21.	Board of Psychology (KRS 319.131)	500	500
22.	Real Estate Commission		
	1. Examination & Licensing (KRS 324.286)	9,400	9,700
	2. Real Estate Education Research and Recovery (KRS 324.410)	9,200	10,400
23.	Board of Social Workers (KRS 335.140)	800	800
24.	Board of Speech Pathologists and Audiologists (KRS 334A.120)	200	200
25.	Board of Veterinary Examiners (KRS 321.320)	1,300	1,300
26.	County Fees (KRS 64.345, 64.350 and KRS 64.355)	344,900	355,300
27.	Ky. Development Finance Authority (KRS 154.150)	25,300	25,600
28.	Occupational Safety and Health Review Commission	5,300	5,700

(KRS 338.071)		
29. Banking and Securities (KRS 287.485)	-0-	55,100
30. Fish and Wildlife (KRS 150.150)	250,600	255,600
31. Ky. Employees Retirement System (KRS 61.580)	59,300	59,300
32. County Employees Retirement System (KRS 78.650)	32,200	32,200
33. State Police Retirement System (KRS 16.565)	5,200	5,200
34. Workers' Compensation (KRS 342.480)__	354,400	387,700
35. Teachers' Retirement System (KRS 161.420, 161.430)	285,500	285,500
36. Student Loan Corp. (KRS 164A.110)	405,500	405,500
37. Tobacco & Health Fund (KRS 164A.800)	-0-	70,000
38. Mines & Minerals Trust Fund (KRS 164A.810)	15,000	15,000
39. Law Enforcement Foundation (KRS 15.430)	171,400	179,900
40. Workers' Claims Special Fund (KRS 342.122)	1,188,000	1,195,800
41. Backside Improvement Comm. (KRS 230.218)	12,000	12,000
42. Firefighters Foundation (KRS 95A.220)	119,800	121,100
43. Thoroughbred Development (KRS 230.400, 138.510)	40,000	40,000
44. Standardbred Development (KRS 138.510, 230.770)	10,000	10,000
45. County Fair Purse (KRS 230.398)	1,600	1,600
46. Fire & Tornado Insurance (KRS 56.100)	63,500	63,500
47. Reinsurance Association (KRS 342.122)	*1,908,000*	*2,072,000*
TOTALS	$5,388,500	$5,751,900

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Signed by: Senators Charles Berger, Benny Ray Bailey, Pat M. McCuiston, Joe Wright, Arthur Schmidt. Representatives Joe Clarke, Robert Jones, William Donnermeyer, Carl Nett, Albert Robinson.

The above-named members, in separate votes by house, all concur in the provisions of this report, March 30, 1984, 9:30 a.m., Room 316.

On the roll call the vote was yeas 70-Arnold, Bendl, Bennett, Blandford, Blevins, Brinkley, Bronger, Bruce, Burch, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Ford, Foster, Freibert, Gedling, Gray, Handy, Harper, Head, Hines, Holbrook, Holloway, Johnson, Kenton, Kidd, Layman, LeMaster, Little, Maggard, McBee, McElroy, McNutt, Moore, Nett, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, B. Richardson, P. Richardson, Riner, Robinson, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, White, Williams, Worthington, Yates. Nays 24-Allen, Barrows, Burnette, Endicott, Farrow, Fryman, Guenthner, Hancock, Heleringer, T. Jones, Lefevers, Lile, Long, Lundergan, Mann, Meyer, Moberly, Morris, Noe, Patrick, Richards, Seum, B. Smith, Van Horn.

HB 474, by way of Free Conference Committee Report, was passed and the title agreed.

Representative LeMaster moved that the vote by which **HB 474,** by way of Free Conference Committee Report, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 25 taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Deskins moved the adoption of the Free Conference Committee Report, thereby passage of **HB 25.**

On the roll call the vote was yeas 66-Arnold, Bendl, Bennett, Blevins, Brinkley, Bronger, Bruce, Burch, Burnette, Caldwell, L. Clark, P. Clark, Clarke, Cowan, Curd, Cyrus, Deskins, Donnermeyer, Dunn, Endicott, Foster, Freibert, Gray, Handy, Harper, Hines, Holbrook, Holloway, Johnson, R. Jones, Kenton, Kidd, Layman, LeMaster, Lile, Little, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Moberly, Moore, Morris, Nett, Noland, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, Riner, Seum, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, White, Williams, Worthington, Yates. Nays 22-Allen, Craddock, Dawahare, Ellington, Farrow, Ford, Fryman, Gedling, Guenthner, Hancock, Head, Heleringer, Lefevers, Noe, O'Brien, Patrick, Pearman, Rattliff, P. Richardson, Robinson, F. Smith, Van Horn.

HB 25, by way of Free Conference Committee Report, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 25,** by way of Free Conference Committee Report, was passed be reconsidered and said motion be placed on the table. Agreed.

HB 298 taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Long moved the adoption of the Free Conference Committee Report No. 2, thereby passage of **HB 298.**

The No. 2 free conference committee on **HB 298** has met as provided in the rules of the House and Senate and hereby reports the following to be adopted: Change the title to read: "AN ACT relating to health."

On page 3, line 19, after the word "licensed." insert the following: "*Nothing contained in this chapter shall prohibit routine and restorative services performed by personnel employed by hospitals, physicians or licensed health care facilities as relates to physical therapists.*"

On page 14, line 21, add two sections as follows:

"Section 8. KRS 216B.025 is amended to read as follows:

(1) There is hereby created the Kentucky health facilities and health services certificate of need and licensure board consisting of *seventeen (17)* [~~sixteen (16)~~] members, to be appointed by the governor, for the purpose of carrying out the duties prescribed in this chapter. The board shall be appointed as follows: two (2) members from the Kentucky Hospital Association, two (2) members from the Kentucky Medical Association, two (2) members from the Kentucky Association of Health Care Facilities, one (1) member from the Kentucky Nurses Association, *one (1) member from the Kentucky Primary Care Association,* one (1) member from the Kentucky Dental Association, one (1) member from the Kentucky Pharmacists Association, and four (4) members who are consumers with an interest in education, rehabilitation, mental health, home care programs, or ambulatory care services and three (3) members who are consumers not associated with any health facilities or delivery of health services. The aforesaid associations shall nominate three (3) persons for

each appointment to be made. The state health planning council shall nominate three (3) persons for each of the consumer positions. The governor shall appoint a chairman from the consumer members of the board. Members of the board shall serve for a term of four (4) years. In the event of a vacancy the person appointed shall serve only for the remaining portion of the vacated term. All members shall serve until such time as their successors are qualified and appointed.

(2) Board members shall receive fifty dollars ($50.00) per day for each day spent in active board duty and shall be reimbursed for allowable expenses for each day spent in active board duty.

(3) No person shall serve as a member of the board if he concurrently is a member of the board of a local health planning agency or a member of the state health planning council.

(4) A majority of the board members shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power of the board. No vacancy in the board shall impair the right of the remaining members to exercise all of the powers of the board.

(5) No member of the board may, in the exercise of any function described in this chapter, vote on any matter before the board respecting any applicant, licensee or holder of a certificate of need with which such member has or, within the twelve (12) months preceding the vote, had any substantial ownership, employment, medical staff, fiduciary, contractual, creditor, or consultative relationship. A member who has or has had such a relationship with the applicant, licensee or holder of a certificate of need involved in a matter before the board shall make a written disclosure of the relationship before any action is taken by the board, and such disclosure shall become part of the record of the proceeding.

Section 9. KRS 311.715 is amended to read as follows:

No public funds shall be used for the purpose of obtaining an abortion or paying for the performance of an abortion. *Public medical facilities may be used for the purpose of conducting research into or the performance of in-vitro fertilization as long as such procedures do not result in the intentional destruction of a human embryo.* [~~No public funds shall be used for the purpose of conducting research into or for the performance of in-vitro fertilization, which is a procedure involving the destruction of live human fetuses.~~] For purposes of this section, "public funds" means any money of the Commonwealth of Kentucky, any department, agency or instrumentality thereof, or any money of any county, city, agency or instrumentality thereof or any money of any other political subdivision of the Commonwealth, agency or instrumentality thereof. Nothing in this section shall be deemed to deprive a woman of all appropriate medical care necessary to prevent her physical death. *Nothing in this section shall be construed to allow public funds to pay for in-vitro fertilization procedures performed on any individual patient.*

SECTION 10. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

Any person who intentionally or recklessly violates KRS 311.715 shall be guilty of a Class A misdemeanor."

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Signed by: Senators David K. Karem, Benny Ray Bailey, John E. Trevey. Representatives Marshall Long, Gregory Stumbo, Carolyn Kenton.

The above-named members, in separate votes by house, all concur in the provisions of this report, March 30, 1984, 4:45 p.m., Room 307.

Representative Hancock presiding.

The Speaker resumed the Chair.

On the roll call the vote was yeas 55-Arnold, Barrows, Bendl, Blevins, Brinkley, Bronger, L. Clark, Clarke, Cowan, Crupper, Cyrus, Deskins, Donnermeyer, Endicott, Foster, Freibert, Gray, Guenthner, Handy, Heleringer, Hines, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Kidd, LeMaster, Lile, List, Little, Long, Maggard, Mann, McBee, McElroy, Meyer, Moberly, Moore, Morris, Noe, O'Brien, Perkins, Rattliff, Richards, B. Richardson, P. Richardson, Seum, B. Smith, Stone, Stumbo, Thomason, Turner, Williams, Worthington. Nays 35-Allen, Bennett, Burch, Burnette, Caldwell, P. Clark, Cline, Craddock, Curd, Dunn, Ellington, Farrow, Ford, Fryman, Gedling, Hancock, Harper, Head, Johnson, Lefevers, McNutt, Nett, Noland, Overstreet, Patrick, Pearman, Priddy, Rapier, Reinhardt, Riner, Robinson, Thomas, Todd, Van Horn, Yates.

HB 298, by way of Free Conference Committee Report, was passed and the title agreed to.

Representative LeMaster moved that the Conference Committee Report on **HB 642** requesting a Free Conference be accepted. Agreed.

The Speaker announced the appointment of the previously appointed members of the Conference Committee to the Free Conference Committee on **HB 642.**

A Free Conference Committee Report was filed on **HB 642.**

Report on Enrolled Bills

The Committee on Enrollment reported **HB 334** and **HB 590** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 334 and **HB 590** delivered to the Senate, signed by President. Ordered delivered to the Governor.

Orders of the Day (continued)

Representative LeMaster moved that the rules be suspended for the purpose of recording votes. Agreed.

Representative Craddock moved that she be recorded as voting "yea" on **HB 406.** Agreed.

Representative Reinhardt moved that he be recorded as voting "nay" on **SB 361.** Agreed.

Representative Meyer moved that he be recorded as voting "yea" on **HB 25.** Agreed.

Representative Donnermeyer moved that he be recorded as voting "nay" on **SB 298.** Agreed.

Representative Crupper moved that he be recorded as voting "yea" on **HB 474.** Agreed.

Representative Ford moved that he be recorded as voting "nay" on **HB 298.** Agreed.

Representative Heleringer requested that he be recorded as voting "nay" on **HB 298.** Agreed.

Representative Hancock moved that he be recorded as voting "nay" on **SB 191.** Agreed.

Senate Message

Message in regard to **HB 25**: The Senate has adopted the Free Conference Committee Report on **HB 25** and is notifying this Honorable Body that it has repassed the bill as amended in free conference.

Message in regard to **HB 298**: The Senate has adopted the Free Conference Committee Report on **HB 298** and is notifying this Honorable Body that it has repassed the bill as amended in free conference.

Orders of the Day (continued)

Representative Blevins moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Blevins moved the adoption of the following **HR 167.**

HR 167, A RESOLUTION directing a study to develop policies with respect to treatment of waste coal resources in the reclamation of abandoned mine land.

WHEREAS, it is the policy of the Commonwealth to encourage the utilization of its coal resources in an environmentally acceptable manner; and

WHEREAS, there are billions of tons of coal wastes already mined and stored in ponds, piles, fills and impoundments that at present constitute a waste of natural resources and environmental and safety hazards; and

WHEREAS, there are now disincentives to private-sector recovery of waste coal and reclamation of associated materials as a result of environmental concerns and the risk of governmental penalties associated with coal mining; and

WHEREAS, there is, on balance, a greater environmental loss in having coal waste materials remain in a continuously hazardous relatively permanent state than would be incurred with the risk of environmental harm as a result of a temporary recovery process; and

WHEREAS, other states, notably the Commonwealth of Pennsylvania, are currently seeking ways to encourage waste coal recovery in a manner that would benefit the environment and the economy of the Appalachian Region;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That it is the sense of this body that mining permit and bond requirements presently discourage recovery and re-processing coal waste materials and that changes in those requirements would encourage such activities.

Section 2. That the Interim Joint Committee on Agriculture and Natural Resources of the Legislative Research Commission is directed to gather information and exchange information with officials of the federal government and other states to develop policy initiatives toward achieving a reduction in coal waste and environmental pollution by the formulation and recommendation of policies and requirements that will aid in conversion of these wastes and hazards into useful products and provide better prospects for a healthy environment.

Section 3. Staff services to be utilized in completing this study are estimated to be $15,000. These services shall be provided from the regular commission budget and are subject to the limitations and other research responsibilities of the commission.

HR 167 was adopted by voice vote.

Representative Riner moved that the rules be suspended to introduce and act upon Resolutions. Agreed.

HR 172, by Representative Riner: A RESOLUTION adjourning the House of Representatives in memory of Marie Ann Ray.

HR 173, by Representative Riner: A RESOLUTION adjourning the House of Representatives in honor of Mr. T.

Representative Riner moved the adoption of the following **HR 172:**

HR 172, A RESOLUTION adjourning the House of Representatives in memory of Marie Ann Ray.
In loving tribute we pay homage to the memory of Marie Ann Ray.

WHEREAS, a tragic automobile accident has claimed the young life of Marie Ann Ray of Eminence, Kentucky; and

WHEREAS, Miss Ray was one of three children of Michael and Jean Ray; and

WHEREAS, these exemplary parents have surmounted this tragedy and have garnered inner strength from the spirit of the Almighty;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives expresses its utter sense of loss and bereavement at the passing of Miss Marie Ann Ray and commends her family members to the solace of the Almighty.

Section 2. That when the House of Representatives does adjourn this day, Friday, March 30, 1984, it does so in loving memory of Marie Ann Ray.

HR 172 was adopted by voice vote.

Representative Riner moved the adoption of the following **HR 173:**

HR 173, A RESOLUTION adjourning the House of Representatives in honor of Mr. T.

WHEREAS, Mr. T, superstar of the hit NBC series "The A-Team," was born Lawrence Tureaud 31 years ago in the ghettos of Chicago's south side; and

WHEREAS, Mr. T was 10th of 12 children born to a God-fearing mother, who raised him to be a devout Baptist; and

WHEREAS, Mr. T worked in the early 1970s as a gym instructor for children with learning disabilities; and

WHEREAS, Mr. T has served as "Bodyguard Extrodenaire" for a celebrity clientele that included Muhammad Ali, Michael Jackson, Leon Spinks, and Steve McQueen; and

WHEREAS, Mr. T received national recognition in 1980 when he starred in the block-buster movie "Rocky III" as the character Clubber Lang; and

WHEREAS, Mr. T is a devoted and loving father to his beautiful 13 year old daughter Lesa; and

WHEREAS, Mr. T puts Jesus first and gives God all the glory for his success; and

WHEREAS, because of God's grace, Mr. T has dedicated his life to proclaiming God's word; and

WHEREAS, "People" magazine has heralded Mr. T as a major role model of the rising generation; and

WHEREAS, Mr. T encourages his young admirers to honor traditional family values and to respect their parents while discouraging the use of drugs, alcohol and violence; and

WHEREAS, Mr. T emphatically urges the youth of this country to adhere to the virtues of hard work and the need for a strong faith in Jesus Christ; and

WHEREAS, one of Mr. T's ambitions in life is to follow the example of Jesus in feeding 5,000 needy people;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House hails Mr. T for his Christian example and testimony to the youth of this great nation.

Section 2. That this honorable body recognizes Mr. T to be an outstanding role model for our youth, as well as an exemplary representative of the United States and the Gospel of Jesus Christ.

Section 3. That the House praises Mr. T for his biblically inspired ambition to feed 5,000 poor people and requests Mr. T to come to Kentucky, the heart of the Bible Belt, to fulfill his goal.

Section 4. That the House proclaims Mr. T to be an honorary member of the Kentucky House of Representatives for the purpose of organizing the largest supper for the poor in American history ... and extending an official welcome to people everywhere to come to Kentucky for this celebration in honor of the Lord.

Section 5. That when the House does adjourn this day, Friday, March 30, 1984, it declares this day to be "Mr. T Day" across the Commonwealth and adjournment is in his honor.

Section 6. That the Clerk of the House is directed to transmit a copy of this resolution to Rev. Henry Hardy, pastor of Chicago's Cosmopolitan Community Church, with a cover letter requesting that he read this resolution and personally make this presentation to Mr. T on behalf of the Commonwealth of Kentucky.

HR 173 was adopted by voice vote.

HB 642 taken from Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative Crupper moved the adoption of the Free Conference Committee Report, thereby passage of **HB 642.**

The free conference committee on **HB 642** has met as provided in the rules of the House and Senate and hereby reports the following to be adopted:

On page 5, after line 7, by adding the following subsection:

"*(e) This Act shall not apply to amusement rides, attractions or property under the jurisdiction of the State Fair Board.*"

Beginning on page 5, line 23, by deleting Section 4 in its entirety.

On page 8, by renumbering "Section 5" as "Section 4".

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Signed by: Senators Joe Prather, Georgia Powers, Danny Meyers. Representatives Jerry Bronger, Clay Crupper, Richard Turner.

The above-named members, in separate votes by house, all concur in the provisions of this report, March 30, 1984, 7:10 p.m., Room 324.

On the roll call the vote was yeas 66-Allen, Arnold, Barrows, Bennett, Bronger, Burch, Burnette, Caldwell, L. Clark, P. Clark, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Endicott, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Harper, Hines, Holbrook, Holloway, T. Jones, Kenton, Kidd, Lefevers, LeMaster, List, Long, Lundergan, Mann, McBee, McElroy, Moberly, Moore, Noland, O'Brien, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, B. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, Worthington. Nays 10-Bendl, Blevins, Craddock, Heleringer, Lile, McNutt, Meyer, Pearman, F. Smith, Yates.

HB 642, by way of Free Conference Committee Report, was passed and the title agreed to.

Representative LeMaster moved that the vote by which **HB 642** was passed be reconsidered and said motion be placed on the table. Agreed.

Recess

Representative LeMaster moved that the House recess until 8:30 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative LeMaster moved that when the House adjourns on this day, it do so by voice vote. Agreed.

Representative LeMaster moved that when the House adjourns, it do so until Thursday, April 12, 1984, at the hour of 1:00 p.m. Agreed.

Senate Message

Message in regard to **HB 367**: The Senate has adopted the Free Conference Committee Report on **HB 367** and is notifying this Honorable Body that it has repassed the bill as amended in free conference.

Message in regard to **HB 406**: The Senate has adopted the Free Conference Committee Report on **HB 406** and is notifying this Honorable Body that it has repassed the bill as amended in free conference.

Message in regard to **HB 642**: The Senate has adopted the Free Conference Committee Report on **HB 642** and is notifying this Honorable Body that it has repassed the bill as amended in free conference.

Message in regard to **HB 475**: The Senate has adopted the Free Conference Committee Report on **HB 475** and is notifying this Honorable Body that it has repassed the bill as amended in free conference.

Orders of the Day (continued)

Representative Foster moved that the rules be suspended to allow requests for co-sponsors to be filed. Agreed.

Representative Farrow filed a request to have his name added as a co-sponsor of **HB 51**.

Representative LeMaster moved that no further business be transacted on this day other than to receive Senate Message and Enrollment of Bills. Agreed.

Recess

Representative LeMaster moved that the House recess until 9:00 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 92, SB 314, SB 352,** and **SB 361** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Senate Message

Message in regard to **HB 474:** The Senate has adopted the Free Conference Committee Report on **HB 474** and is notifying this Honorable Body that it has repassed the bill as amended in free conference.

Recess

Representative LeMaster moved that the House recess until 9:45 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Riner filed requests to have his name added as co-sponsor of the following Bills and Resolutions: **HB 3, HB 14, HB 89, HB 196, HB 200, HB 322, HB 370, HB 520, HB 539, HB 556, HB 565, HB 588, HB 659, HB 702, HB 721, HB 753, HB 787, HB 842, HB 846, HB 877, HB 895, HB 1016, HR 50, HR 66, HR 97, HB 108, HB 110.**

Report on Enrolled Bills

The Committee on Enrollment reported **SB 124** had been examined and found correctly enrolled. Said Bill read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time-10:26 p.m.)

Recess

Representative LeMaster moved that the House recess for fifteen minutes. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 25, HB 298, HB 367, HB 406, HB 474, HB 475,** and **HB 642** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 25, HB 298, HB 367, HB 406, HB 474, HB 475, and **HB 642** delivered to the Senate, signed by President. Ordered delivered to the Governor.

The Committee on Enrollment reported **SB 26, SB 56,** and **SB 191** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Adjournment

Representative LeMaster moved that the House adjourn.

The motion that the House adjourn was adopted by voice vote.

The House adjourned until 1:00 p.m., Thursday, April 12, 1984.

THURSDAY, APRIL 12, 1984

FIFTY-NINTH LEGISLATIVE DAY

The House was called to order by Speaker Richardson.

Prayer by Reverend Robert Anderson, First United Methodist Church, Barbourville, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representative Bendl.

Representative Brinkley moved that the absent member be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Brinkley moved that the reading of the Journal of March 30, 1984, be dispensed with the same approved. Agreed.

Message from the Governor

Announcing veto of **HJR 58**, April 6, 1984; **HB 777**, April 7, 1984; **HB 682**, **HB 736**, April 9, 1984; **HB 334**, **HB 474**, April 11, 1984.

The Veto Message on **HJR 58** is as follows:

By the authority vested in me by Section 88 of the Constitution of the Commonwealth of Kentucky, I hereby veto **HJR 58.** While I sympathize with the guidelines expressed in this resolution, it would direct the Cabinet for Human Resources to allocate winter energy assistance funds in a manner contradicatory to the Federal law which totally funds the program. 42 U.S.C. 8624 (b) (5) requires that "the *highest level of assistance* will be furnished to those households which have the lowest incomes and the highest energy costs in relation to income, taking into account family size". This resolution directs that the highest benefit levels be given to households whose costs for food, shelter, clothing, energy and medical care exceed income. The Cabinet would, therefore, be put into the position of violating either Federal law or state law if this resolution were passed.

Signed by: Martha Lane Collins, Governor, April 6, 1984.

The Veto Message on **HB 777** is as follows:

By the authority vested in me by Section 88 of the Constitution of the Commonwealth of Kentucky, I hereby veto **HB 777. HB 777** will remove from regulation by the Public Service Commission cellular radio-telephone services.

Most authorities acknowledge that cellular radio (what is now known as mobile telephone service) is the telephone of the future. It has the potential to replace our present hard-wire system telephone service. Thus, it is important that the Public Service Commission be in a position of monitoring this development to protect the public interest.

While the Federal Communications Commission is issuing licenses for these services (only two in each major metropolitan area), the FCC does not intend to regulate the development of the service. In all of its orders, the FCC has indicated that state commissions must also be involved in the regulation of this new technology. Without regulation by the Public Service Commission, there will be no real competition. House Bill 777 will lead to the monopolization of cellular marketing throughout Kentucky. Ultimately, this will mean higher prices and poorer service for consumers.

Signed by: Martha Layne Collins, Governor, April 7, 1984.

The Veto Message on **HB 682** is as follows:

By the authority vested in me by Section 88 of the Constitution of the Commonwealth of Kentucky I hereby veto **HB 682.** A House Floor Amendment to this bill would effectively preclude contracts from having a shorter period within which one must bring an action to recover on the contract than the general 15 year period referred to in KRS 413.090. The Kentucky courts have upheld the right for parties to contract for a shorter period within which an action must be brought than the period referred to in the above statute. The court's rationale was that there was a sound public policy in permitting parties to do so and that Kentucky had no statute prohibiting such contracts.

If this law were to go into effect, there would be created a 15 year period within which actions could be brought on various insurance contracts. This would necessitate larger reserves being required of insurance companies, with the obvious result that premiums would need to be increased to cover these reserves.

Futhermore there is a specific statute, KRS 304.14-370, which permits foreign insurance companies to limit actions against them to one year. The disparity that would result between these companies and our domestic companies would place the domestic companies at a competitive disadvantage with out-of-state companies.

Signed by: Martha Layne Collins, Governor, April 9, 1984.

The Veto Message on **HB 736** is as follows:

By the authority vested in me by Section 88 of the Constitution of the Commonwealth of Kentucky I hereby veto **HB 736.** This bill would require that the criminal records of anyone who had been convicted of a single non-violent Class D felony prior to attaining the age of 25 be purged and that such conviction not be used for any purpose except as required by the Constitution. Although there are legitimate reasons for permitting such offenders to, in effect, begin anew their lives, there is an overriding public need in some situations to have the record of these offenders available. For example, in doing background checks on potential adoptive parents it is imperative that the Cabinet for Human Resources have available to it any evidence that would show an incident of child abuse or deviant sexual behavior by a prospective adoptive parent. The same policy is involved in screening applicants for positions of employment where minor children will be under their care.

It is also necessary, in screening applicants for various law enforcement positions, to have available the entire criminal history record of such applicants.

Signed by: Martha Layne Collins, Governor, April 9, 1984.

The Veto Message on **HB 334** is as follows:

By the authority vested in me by Section 88 of the Constitution of the Commonwealth of Kentucky I hereby veto **HB 334.** This bill, among other things, would require that all fees not specifically established by statute and not specifically exempted under Section 10 of the bill be promulgated by administrative regulation. In that the universities are administrative bodies under the definitions contained in KRS Chapter 13, the University of Kentucky would be required to establish by administrative regulation the multitude of fees charged at the Chandler Hospital. The University estimates there are over 10,000 separate fees currently in effect at the hospital.

These fees are constantly being changed. Setting hospital fees by administrative regulation would not permit expedient, timely management of hospital operations because the establishment of such fees is related to factors external to the University and the University hospital.

In addition, the auxiliary enterprise of all of the universities would be subject to the unduly burdensome requirements of promulgating administrative regulations. Revenue producing activities which support the daily activities of a university could not comply with the regulation procedures and time-frames mandated by **HB 334,** and, at the same time, meet the operational requirements of the institution. Examples of impacted operations at the University are domitories, bookstores, auxiliary out-patient diagnostic and treatment clinics and laboratory fees. These auxiliary enterprises, at the University of Kentucky alone, have approximately 100,000 different fees that would need to be promulgated by regulation depending upon how broadly one interprets the word "fees". It is apparently intended to be interpreted broadly in that Legislature specifically excluded groceries from the provisions of the Act.

The Senate had attempted to resolve this problem by limiting those fees which must be promulgated by regulation to "license and application" fees. However this restriction was deleted in free conference.

The Free Conference Committee also added the following language: "Any grant of authority for an administrative body to promulgate rules or standards is repealed unless authorized by this Act." In no place in the Act are the state procurement agencies authorized to establish standards and specifications for the various products for which the agencies solicit bids. It would therefore appear that the existing authority for these agencies to establish such standards and specifications has been repealed.

It would also appear that the various governing boards of universities would have to establish by regulation the standards and procedures utilized to grade students, the graduation requirements for students and the promotion and tenure system for faculty members.

Furthermore the Act greatly expands the types of documents which must be promulgated as administrative regulations. I am firmly committed to reducing the number of regulations so as to not unduly burden our citizenry with unneeded governmental interference with their activities.

Signed by: Martha Layne Collins, Governor, April 11, 1984.

The Veto Message on **HB 474** is as follows:

By the authority vested in me by Section 88 of the Constitution of the Commonwealth of Kentucky I hereby veto the following portions of **HB 474:**

(1) On page 101 after line 2 the following language:

"5. Office of the Superintendent
of Public Instruction

(a) General Purpose Building
General Fund 250,000 -0-

(b) General Purpose Building
General Fund -0- 250,000"

As a result of the Free Conference Committee, two capital construction projections, identified as General Purpose Buildings in the Office of the Superintendent of Public Instruction, were inserted in the budget. These projects were not contained in either the Governor's budget recommendation, the budget which passed the House of Representatives, or the budget which passed the Senate. I am vetoing the appropriations for these projects for the following reasons:

The lack of information on these projects clearly violates the intent of KRS 45.760 (**SB 44** enacted by the 1979 Extraordinary Session of the General Assembly) which calls for specific information as to the purpose and justification of all capital construction projects prior to authorization. Because of the vague and general description in the appropriations bill, it is virtually impossible to know what exactly is being authorized.

If these projects are indeed for local school districts facilities, this action will mark the first time state General Fund dollars have been directly appropriated for specific local school district construction. Such a precedent is unwise as well as unfair because such action ignores any review or survey of statewide construction need identified to date. Moreover, this action represents a change in state policy which could have far-reaching financial ramifications in the future. This commitment clearly singles out an individual school district for special privileges at the expense of other states priority needs.

(2) On page 138 after line 13 the following language:

" - Prestonsburg Community
College Technical
Building/Learning
Resource Center
Bond Fund 2,500,000

- Hazard Community College

Technical Building/
Learning Resource Center
Bond Fund 2,500,000"

As a result of the Free Conference Committee, these two Community College projects were inserted in the budget. This veto will delete the construction authorization for the Technical/Learning Resource Center Building at Prestonsburg Community College and the Technical/Learning Resource Center Building at Hazard Community College. I am vetoing these projects for the following reasons. These are new construction projects which were contained in a long list of projects requested by the Council on Higher Education as its *last* priority after all other construction priorities. Moreover, these two projects were priorities number six and seven and were given a lower priority status than three other Community College projects. The philosophy behind the Council's priorities is one with which I personally agree, i.e., proper maintenance of current facilities is a higher priority than the construction of new facilities. Inasmuch as the Commonwealth is reducing ongoing programs in a number of education areas because of lack of adequate funding, new construction for Community College facilities is clearly not in the public interest at this time. These projects were not contained either in the Governor's budget recommendation, the budget which passed the House of Representatives, or the budget which passed the Senate.

Signed by: Martha Layne Collins, Governor, April 11, 1984.

Orders of the Day

Representative LeMaster moved that **HB 519** be taken from Orders of the Day for consideration of the Governor's veto. Agreed.

Representative Little moved that **HB 519** be referred to the Committee on Transportation. Agreed.

Representative LeMaster moved that the rules be suspended for introduction of a Resolution. Agreed.

Introduction of Resolution

HR 174, by Representatives Noland and Holloway: A RESOLUTION honoring the National Guard and Reserve forces.

Orders of the Day (Continued)

Representative Noland moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Noland moved the adoption of the following **HR 174:**

HR 174, A RESOLUTION honoring the National Guard and Reserve forces.

WHEREAS, the United States was founded through the activities of citizen-soldiers; and

WHEREAS, throughout the history of the United States, the nation has maintained a relatively small active military component supplanted by trained members of the Militia; and

WHEREAS, the Militia has evolved into the National Guard and Reserve components of the armed forces and is still a most vital component in maintaining the mission of deterrence of aggression through strong military strength; and

WHEREAS, a strong national defense is in concert with the national goal of a generation of peace; and

WHEREAS, Kentuckians have since the founding of the Commonwealth maintained a strong tradition of volunteering for service in the military forces of the nation and the National Guard and Reserve components of the armed forces provide, through such volunteers, a pool of trained and equipped personnel at a minimum cost to the taxpayer; and

WHEREAS, the level of training, length of service, and sophistication of personnel serving in the National Guard and Reserve components of the armed forces is higher now than at any previous time in the nation's history these components of the armed forces now comprise our front line forces in many instances and are now being equipped with the latest aircraft, vessels, and military equipment; and

WHEREAS, during tornadoes, floods, and other natural disasters the military training, expertise, and equipment of the National Guard and Reserve components of the armed forces can and is just as effectively and swiftly used to save life, prevent suffering, and restore the functioning of areas ravaged by disaster; and

WHEREAS, volunteer citizen-soldiers devote personal energies and time far in excess of the small amount of pay they receive to attain and maintain proficiency and readiness frequently far in excess of that thought possible for "reserve" forces; and

WHEREAS, without the services of the volunteers of the National Guard and Reserve components of the armed forces, the Commonwealth and the nation would be in a far poorer position indeed, in time of war, in time of peace, or in time of disaster;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives commends the officers and men and women of the National Guard and Reserve components of the armed forces for their willingness to serve, for their dedication to duty, and for their maintenance of high standards of professionalism and readiness.

Section 2. That the House of Representatives urges that employers not limit or reduce job and career opportunities because of service in the Guard or Reserve and that employes be granted leaves of absence for military training in the Guard or Reserves, consistent with existing laws, without sacrifice of vacation.

Section 3. That copies of this resolution be transmitted to: the Adjutant General, the commanding officers of the Army, Air Force, Navy, Marine Corps, and Coast Guard Reserve forces in Kentucky, the National Guard Bureau, and the Secretary of Defense of the United States.

HR 174 was adopted by voice vote.

Representative LeMaster moved that the rules be suspended to act upon Legislative Citations. Agreed.

Representative Deskins moved the adoption of Legislative Citations No. 271 through No. 276. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby recognizes with deep compassion and sincere regrets the untimely death of William Butch Davis of Pikeville, Kentucky. Butch's outstanding personality and the way he "carried a smile all the time," as well as being an honor roll student and voted Most Athletic of the Senior Class, is responsible for his being voted "Mr. Pike High" for 1983-84 by the entire school. As a member of the Pikeville High School Basketball Team he averaged 21 points per game and was named to the District All Tournament Team and the all EKMC Team. He was also a member of the baseball team. Because of his excellent athletic abilities, Butch was being recruited by some small colleges to play basketball. This prestigious body adjourns in Butch's honor and extends our deepest sympathy to his parents, Gene and Mary Louise Davis, his sisters, Rita Jean and Ninta Louise, and to the entire family. (Sponsored by Representative Deskins)

The House of Representatives of the Commonwealth of Kentucky hereby recognizes with profound appreciation the laudable contributions and crusades for the Pike County area of Mrs. Dorothy Varney, wife of Claude Varney of Belfry, Kentucky, who passed way on February 22, 1984. She served as the Democratic Executive Chairman of Pike County for eight years and as the first manager of the Pike County Court Clerk Branch Office at Belfry for seven and one half years. Mrs. Varney's fine leadership was evidenced by her civic contributions to organize crusades for better schools and better roads, and as a committee member for Flood Control. She was instrumental and influential in the bill that passed to establish the Branch Court House offices in Pike County. Mrs. Varney's Christian attributes and devotion to her church were exemplified as a member of the Belfry Methodist Church. This prestigious body adjourns in Mrs. Varney's honor and extends our deepest sympathy to the family. (Sponsored by Representative Deskins)

The House Representatives of the Commonwealth of Kentucky hereby congratulates the Belfry High School "Lady Pirates" and your fine coaches Paul and Delores Dotson, Runner-Up in the "Sweet Sixteen" State Tournament held at Eastern Kentucky University March 24, 1984. Earning you the privilege of participating in the State Tournament were your victories in the 60th District and the 15th Regional Tournaments. Your excellent final season record of 32-4 reflects hard work, school loyalty, competitive spirit and a positive team effort. Coaches, your exceptional leadership and high standard of performance requiring the best at all times are most exemplary, productive and rewarding. This prestigious body appauds you for your fine accomplishments and the honor and pride you have bestowed on school, community and the Commonwealth of Kentucky. (Sponsored by Representative Deskins)

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the John's Creek High School Cheerleaders, and your excellent sponsor, Carolyn Bevins, for the multiple awards that you have captured this school year. You first attended camp at East Tennessee State University where you were named Camp Champions. As a result of this win you were invited to Regional Competition in Charlotte, N.C. where you placed second. National Competition then took your team to Orlando, Florida. At Eastern Kentucky University's Competition you placed third, KAPOS Competition brought you first place in district competition and first runner up in the Region. This took you to State Competition where you won third place. To compliment your team even further you captured first place in the Mullins Invitational Tournament and in the Boys' Regional Competition. Multiple awards and honors are a great tribute to you and emblematic of excellent team effort and personal sacrifice. We extend best wishes to Tawnya Mullins, Kim Little, Dee Dee Helvey, Korbie Maynard, Pam Charles, Pam Hamilton, Ericka Blackburn, Paula Charles, Melanie Thompson, and Jodi Bevins. This prestigious body salutes you for your high level of performance and the honor and pride that you have bestowed on your school. (Sponsored by Representative Deskins)

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Pikeville High School Cheerleaders of the "Lady Panthers" Basketball Team, and their fine sponsors Libby Taylor and Carolyn Justice, Runner Up of the KAPOS State at Large Competition held March 23, 1984. In 1983 you were in the top three at Summer Camp at Pikeville College winning superior ribbons and a spirit stick. You were then in the top six at the University of Kentucky competition receiving superior ribbons and a spirit stick. On February 18, 1984, your team won the 59th District at Large Competition. Your victory on February 25, 1984 captured the 15th Regional at Large Competition and the covered K-Pep Award, which is voted on by all squads of the 15th Region. The trophy you won for the 15th Regional Girls' Basketball Tournament is proudly displayed at your school. Multiple awards and honors are a great tribute to you and emblematic of excellent team effort and personal sacrifice. We extend best wishes to Pam Tackett, Captain Joann Valera, CoCaptain, and team members Melanie Fletcher, Meredith Fletcher, Kim Damron, Kristina Lowe, Ashlby Hall, Lynn Isabell, and Tina Friend on your fine display of leadership and enthusiastic school spirit. (Sponsored by Representative Deskins)

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Pikeville High School Cheerleaders of the "Panthers" Basketball Team and their fine sponsor Jeannie Stone, for the multiple awards you have captured this school year. On February 25, 1984, you captured the 15th Region at Large Competition Championship. This win was preceded by three other prestigious titles including the 59th District at Large Competition on February 18, 1984; the District Champions of the Universal Cheerleaders Association Summer Camp in Pikeville, receiving blue ribbons and a spirit stick; and the Runner Up Award of Excellence at the National Cheerleader Association Summer Camp held at the University of Kentucky. Multiple awards and honors are a great tribute to you and emblematic of excellent team effort and personal sacrifice. We extend best wishes to Bambi Johnson, Janet Branham, Melissa Brown, Lorri Croslin, Jennifer Rogers, Trina Reed, Diana Williamson, Lynn Venters, Kim Osborne and Alisha Tackett on your fine display of leadership and enthusiastic school spirit. This prestigious body applauds you for your fine accomplishments and the honor and pride you have bestowed on your school, community and the Commonwealth of Kentucky. (Sponsored by Representative Deskins)

Representative Barrows moved the adoption of Legislative Citations No. 267 through No. 270. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Woodford County High School Wrestling Team, their coach, Rusty Parks, assistant coach, Joe Carr and Athletic Director Bill Hill, for a successful 19-0 season of undefeated matches. You demostrated a fine spirit, cooperative attitude and a great performance as you captured fourth place in the State Wrestly Tournament, Regional Runner Up, District Champions, Central Kentucky Conference Tournament Champions and winners of the Tates Creek Invitational Tournament. Your outstanding victories are an expressed manifestation of your high level of performance. This prestigious body salutes you for your fine accomplishments and the honor and pride you have bestowed upon your school, community and the Commonwealth of Kentucky. (Sponsored by Representative Barrows)

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Woodford County High School "Yellow Jackets" Football Team, their coach, Dan Cassity, assistant coaches, Sam Simpson, Steve Burkich, Rusty Parks, Stan Watts, and Joe Carr and Athletic Director Bill Hill, for your outstanding 1983 season. Your excellent record of 11-2 reflects the master plan of connecting on a winning combination comprised of balance and ability. Your exceptionally high standard of performance requiring the best at all times is most exemplary, productive and rewarding as evidenced by your being the Recreation Bowl Champions, the District Champions and the Regional II Champions. This prestigious body salutes you for your fine accomplishments and the honor and pride you have bestowed upon your school, community and the Commonwealth of Kentucky. (Sponsored by Representative Barrows)

The House of Representatives of the Commonwealth of Kentucky hereby congratules the Woodford County High School "Yellow Jackets" Basketball Team, their coach, Gene Kirk, assistant coaches, Bill Bland and Steve Williams, and Athletic Director Bill Hill, championship winners of the 41st District Boys' Basketball Tournament. Your excellent record of 27-5 reflects hard work, school loyalty, competitive spirit and a positive team effort, and is the best record of victories in Woodford County's history. Winning the Central Kentucky Conference North Division, the Ft. Harrod Classic and Runner Up of the Central Kentucky Conference Tournament is exemplary of your outstanding level of performance. This prestigious body applauds you for your accomplishments and the honor and pride you have bestowed upon your school, community and the Commonwealth of Kentucky. (Sponsored by Representative Barrows).

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Gene Kirk, Coach of the Woodford County High School Basketball Team, for outstanding leadership that has brought unsurpassed honor and recognition to you and your team. You have been voted the Herald-Leader's Coach of the Year for 1983-84 by the Kentucky High School basketball coaches, as well as Coach of the Year by the Courier-Journal. Your excellent season of 27-5 is the best record of victories in Woodford County's history. Your thirteen successful years as Coach of the "Yellow Jackets" is exemplary of your high standard of performance requiring the best at all times. This honorable body salutes you for your magnificent contributions toward the development of the future leaders of our Commonwealth and we extend our best wishes for success in your future endeavors. (Sponsored by Representative Barrows)

Representative Gedling moved the adoption of Legislative Citation No. 257. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby honors Miss Kathy Haycraft, the lovely daughter of Mr. and Mrs. Joseph Haycraft of Cloverport, Kentucky, for your outstanding high school career at Saint Romuald High School. Your perfect 4.0 grade point average, the Presidencies of the Freshman and Junior classes, Student Council, Vice President of the National Honor Society, a member of the Pep Club, the High Q Team, The Latin Honor Society, the Yearbook and Newspaper Staff, Chorus, and numerous academic awards, as well as being one of the the top ten finalists from Kentucky in the Century III Leaders Program, is exemplary of your exceptional leadership abilities. Being named to Who's Who Among American High School students in 1983 and 1984 is especially noteworthy. Your dedication to community and church service is most commendable. Your academic accomplishments are indicative of your goals as you have received a four year scholarship from the Martin Marietta Corporation. This prestigious body salutes and applauds you for all of these honors and extends best wishes as you pursue your career ambitions and may college offer you the greatest of challenges in your future endeavors. (Sponsored by Representative Gedling)

Representative Little moved the adoption of Legislative Citations No. 258 through No. 266. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Kelver Stiltner and the Hillbilly Square Dancers of Elkhorn City, Kentucky, for the entertainment and enjoyment of mountain square dancing that you have bestowed upon Eastern Kentucky. You have performed before thousands and kept alive the almost forgotten mountain style of square dancing. Your exceptional skills and techniques provide an adequate base for your effective participation in competition, as you have currently been selected and nominated for inclusion in the Square Dance Hall of Fame in Renfro Valley, Kentucky. This prestigious body salutes you for your high level of performance and wishes you continuous success. We applaud you for the honor and pride you have bestowed on your community and the Commonwealth of Kentucky. (Sponsored by Representative Little)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Kelver Stiltner and Willa Stiltner, talented members of the Hillbilly Square Dancers of Elkhorn City, Kentucky, for the entertainment and enjoyment of mountain square dancing that you have bestowed upon Eastern Kentucky. You have performed before thousands and kept alive the almost forgotten mountain style of square dancing. Your exceptional skills and techniques provide an adequate base for your effective participation in competition, as you have currently been selected and nominated for inclusion in the Square Dance Hall of Fame in Renfro Valley, Kentucky. This prestigious body salutes you for your high level of performance and wishes you continuous success. We applaud you for the honor and pride you have bestowed on your community and the Commonwealth of Kentucky. (Sponsored by Representative Little)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Carmel and

Glema Stiltner, talented members of the Hillbilly Square Dancers of Elkhorn City, Kentucky, for the entertainment and enjoyment of mountain square dancing that you have bestowed upon Eastern Kentucky. You have performed before thousands and kept alive the almost forgotten mountain style of square dancing. Your exceptional skills and techniques provide an adequate base for your effective participation in competition, as you have currently been selected and nominated for inclusion in the Square Dance Hall of Fame in Renfro Valley, Kentucky. This prestigious body salutes you for your high level of performance and wishes you continuous success. We applaud you for the honor and pride you have bestowed on your community and the Commonwealth of Kentucky. (Sponsored by Representative Little)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Billy Joe and Arlene Stiltner, talented members of the Hillbilly Square Dancers of Elkhorn City, Kentucky, for the entertainment and enjoyment of mountain square dancing that you have bestowed upon Eastern Kentucky. You have performed before thousands and kept alive the almost forgotten mountain style of square dancing. Your exceptional skills and techniques provide an adequate base for your effective participation in competition, as you have currently been selected and nominated for inclusion in the Square Dance Hall of Fame in Renfro Valley, Kentucky. This prestigious body salutes you for your high level of performance and wishes you continuous success. We applaud you for the honor and pride you have bestowed on your community and the Commonwealth of Kentucky. (Sponsored by Representative Little)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Jim and Pansy Williams, talented members of the Hillbilly Square Dancers of Elkhorn City, Kentucky, for the entertainment and enjoyment of mountain square dancing that you have bestowed upon Eastern Kentucky. You have performed before thousands and kept alive the almost forgotten mountain style of square dancing. Your exceptional skills and techniques provide an adequate base for your effective participation in competition, as you have currently been selected and nominated for inclusion in the Square Dance Hall of Fame in Renfro Valley, Kentucky. This prestigious body salutes you for your high level of performance and wishes you continuous success. We applaud you for the honor and pride you have bestowed on your community and the Commonwealth of Kentucky. (Sponsored by Representative Little)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Danny and Marcia Evans, talented members of the Hillbilly Square Dancers of Elkhorn City, Kentucky, for the entertainment and enjoyment of mountain square dancing that you have bestowed upon Eastern Kentucky. You have performed before thousands and kept alive the almost forgotten mountain style of square dancing. Your exceptional skills and techniques provide an adequate base for your effective participation in competition, as you have currently been selected and nominated for inclusion in the Square Dance Hall of Fame in Renfro Valley, Kentucky. This prestigious body salutes you for your high level of performance and wishes you continuous success. We applaud you for the honor and pride you have bestowed on your community and the Commonwealth of Kentucky. (Sponsored by Representative Little)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Donnie and Debbie Coleman, talented members of the Hillbilly Square Dancers of Elkhorn City, Kentucky, for the entertainment and enjoyment of mountain square dancing that you have bestowed upon Eastern Kentucky. You have performed before thousands and kept alive the almost forgotten mountain style of square dancing. Your exceptional skills and techniques provide an adequate base for your effective participation in competition, as you have currently been selected and nominated for inclusion in the Square Dance Hall of Fame in Renfro Valley, Kentucky. This prestigious body salutes you for your high level of performance and wishes you continuous success. We applaud you for the honor and pride you have bestowed on your community and the Commonwealth of Kentucky. (Sponsored by Representative Little)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Jackie Ray Stiltner and Elenore Little, talented members of the Hillbilly Square Dancers of Elkhorn City, Kentucky, for the entertainment and enjoyment of mountain square dancing that you have bestowed upon Eastern Kentucky. You have performed before thousands and kept alive the almost forgotten mountain style of square dancing. Your exceptional skills and techniques provide an adequate base for your effective participation in competition, as you have currently been selected and nominated for inclusion in the Square Dance Hall of Fame in Renfro Valley, Kentucky. This prestigious body salutes you for your high level of performance and wishes you continuous success. We applaud you for the honor and pride you have bestowed on your community and the Commonwealth of Kentucky. (Sponsored by Representative Little)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Danny and Ann Mullins, talented members of the Hillbilly Square Dancers of Elkhorn City, Kentucky, for the entertainment and enjoyment of mountain square dancing that you have bestowed upon Eastern Kentucky.

You have performed before thousands and kept alive the almost forgotten mountain style of square dancing. Your exceptional skills and techniques provide an adequate base for your effective participation in competition, as you have currently been selected and nominated for inclusion in the Square Dance Hall of Fame in Renfro Valley, Kentucky. This prestigious body salutes you for your high level of performance and wishes you continuous success. We applaud you for the honor and pride you have bestowed on your community and the Commonwealth of Kentucky. (Sponsored by Representative Little)

Representative Williams moved the adoption of Legislative Citation No. 277. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Madeline Boyd, for your magnanimous contributions of time and energy to the Senators and Representatives of the Commonwealth of Kentucky during the 1984 General Assembly. The services that you provide to the Senate and House prove your concern and compassion for your fellowman. You are always going beyond the call of duty, investing long hours and tireless efforts. Your dedication and humanitarian spirit is responsible for the Senate Lounge having a warm, relaxed atmosphere. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and most noteworthy endeavors. (Sponsored by Representative Williams)

Recess

Representative LeMaster moved that the House recess until 2:30 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Senate Message

Announcing passage of **SCR 114**.

Orders of the Day

Representative LeMaster moved that **HJR 58** be taken from Orders of the Day for consideration of the Governor's veto. Agreed.

Representative Perkins moved that **HJR 58** be placed on passage, the Governor's veto notwithstanding.

On the roll call the vote was yeas 90-Allen, Arnold, Barrows, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Burch, Caldwell, Clapp, L. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Patrick, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, B. Richardson, Riner, Robinson, Seum, F. Smith, Stone, Stumbo, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 5-P. Clark, Craddock, Pearman, Richards, B. Smith.

HJR 58 was passed over the Governor's veto.

Representative LeMaster moved that the vote by which **HJR 58** was passed, the Governor's veto notwithstanding, be reconsidered and said motion be placed on the table. Agreed.

Representative LeMaster moved that **HB 777** be taken from Orders of the Day for consideration of the Governor's veto. Agreed.

Representative Mann moved that **HB 777** be placed on passage, the Governor's veto notwithstanding.

On the roll call the vote was yeas 38-Allen, Blandford, Blevins, Brinkley, Burch, Clapp, L. Clark, Curd, Dunn, Fryman, Guenthner, Harper, Head, Heleringer, Holbrook, Holloway, Johnson, Lefevers, LeMaster, List, Long, Mann, McBee, Meyer, Moore, Patrick, Petty, Priddy, Rattliff, Reinhardt, B.

Richardson, Riner, Robinson, F. Smith, Stone, Thomason, Turner, Yates. Nays 59-Arnold, Barrows, Bennett, Bronger, Brown, Bruce, Burnette, Caldwell, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Cyrus, Dawahare, Deskins, Donnermeyer, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Gedling, Gray, Hancock, Handy, Hines, R. Jones, T. Jones, Kenton, Kidd, Lile, Little, Lundergan, Maggard, McElroy, McNutt, Moberly, Morris, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Rapier, Richards, P. Richardson, B. Smith, Stumbo, Thomas, Todd, Van Horn, White, Williams, Worthington.

The motion that **HB 777** be passed, the Governor's veto notwithstanding, was rejected.

The Governor's veto of **HB 777** was sustained.

Representative LeMaster moved that the rules be suspended for Introduction of Resolutions. Agreed.

Intoduction of Resolutions

HR 175, by Representative Deskins: A RESOLUTION adjourning the House of Representatives in honor and memory of Mrs. Dorothy Varney.

HR 176, by Representatives Deskins and Little: A RESOLUTION adjourning the House in honor and memory of William Butch Davis of Pikeville, Kentucky.

HCR 177, by Representatives LeMaster and Brinkley: A CONCURRENT RESOLUTION relating to issuance of administrative regulations.

HCR 178, by Representatives Nett, Dunn, Burch, Yates, Kidd, Priddy, Holloway, O'Brien, Handy, Hines, P. Clark, Lile, Williams, L. Clark, Bennett, Heleringer, Bronger, Stumbo, Cowan, Riner and Seum: A CONCURRENT RESOLUTION honoring Sherleen Sisney, 1984 National Teacher of the Year.

HR 179, by Representative Cowan: A RESOLUTION honoring the University of Louisville Debate Team.

Representative LeMaster moved that the rules be suspended to act upon a Resolution. Agreed.

Representative LeMaster moved the adoption of the following **HCR 177**:

HCR 177, A CONCURRENT RESOLUTION relating to issuance of administrative regulations.

WHEREAS, the Governor has vetoed 1984 **HB 334**; and

WHEREAS, KRS 13.085(1)(d) - (e); KRS 13.087(4) - (9); KRS 13.088(2) - (3); and KRS 13.092 have been declared unconstitutional by the Supreme Court and these sections relate primarily to review of administrative regulations by LRC and the Administrative Regulations Review Subcommittee; and

WHEREAS, if 1984 **HB 334** is not passed, the subcommittee will still exist, may meet monthly, and may have a staff, but it no longer will possess any authority or be able to conduct a meaningful review of regulations, thus leaving the public at the mercy of agency whims; and

WHEREAS, if 1984 **HB 334** is not passed, regulations will become effective the day they are filed regardless of the views of the review subcommittee, or whether they are reviewed or not; and

WHEREAS, if 1984 **HB 334** is not passed, emergency regulations will become effective upon filing and will not expire at any future time and emergency regulations could be used to subvert the public input process entirely; and

WHEREAS, if 1984 **HB 334** is not passed, agencies will still be able to use policy memos and other vehicles to subvert the regulations process; and

WHEREAS, if 1984 **HB 334** is not passed, agencies will not have a process for issuing regulations in contemplation of a statute and agencies will be able to issue many fees without going through the regulatory process at all and will be able to increase others; and

WHEREAS, it is the intent of the General Assembly to have a workable administrative regulations program;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. It is the intent of the General Assembly that the amendment of Section 10 by the Free Conference Committee report to 1984 **HB 334** applies only to fees which are governmental in nature charged by state agencies and not to fees and charges which are proprietary in nature.

Section 2. This resolution may be used by a court as an aid in the construction of 1984 **HB 334.**

HCR 177 was adopted by voice vote.

Orders of the Day

Representative LeMaster moved that **HB 334** be taken from Orders of the Day for consideration of the Governor's veto. Agreed.

Representative Brinkley moved that **HB 334** be placed on passage, the Governor's veto notwithstanding.

On the roll call the vote was yeas 90-Allen, Arnold, Barrows, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Lundergan, Maggard, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Morris, Nett, Noe, Noland, O'Brien, Patrick, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, B. Richardson, Riner, Robinson, Seum, F. Smith, Stone, Stumbo, Thomas, Thomason, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 4-P. Clark, Deskins, Richards, B. Smith.

HB 334 was passed over the Governor's veto.

Representative LeMaster moved that the vote by which **HB 334** was passed, the Governor's veto notwithstanding, be reconsidered and said motion be placed on the table. Agreed.

Motions, Petitions, and Communications

Representative Deskins moved that the rules be suspended to act upon Resolutions. Agreed.

Representative Deskins moved the adoption of the following **HR 175:**

HR 175, A RESOLUTION adjourning the House of Representatives in honor and memory of Mrs. Dorothy Varney.

In loving memory we pay tribute to our department friend, Mrs. Dorothy Varney of Pike County.

WHEREAS, Mrs. Dorothy Varney crossed the eternal void on Monday, February 27, 1984; and

WHEREAS, Dorothy Varney was a devoted wife to her husband Claude and a loving mother of three and a loving grandmother of seven; and

WHEREAS, always involved in humanitarian and social events, Mrs. Dorothy Varney was an active participant for "every good crusade" for the Pike County area; and

WHEREAS, a member of the Belfrey Methodist Church of Belfrey, Kentucky, Mrs. Dorothy Varney was a civic leader who organized committees for better schools, better roads, and flood control in the Pike County area; and

WHEREAS, Dorothy Varney was the first manager of the Pike County Court Clerk's Branch Office in Belfrey, Kentucky and served in that capacity for seven and a half years; and

WHEREAS, Dorothy Varney was instrumental in the successful passage of the enabling legislation which established the branch courthouse offices in Pike County; and

WHEREAS, Mrs. Dorothy Varney was the Democratic Executive Chairwoman of Pike County for eight years;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House does express its utter sense of bereavement and loss upon the death of

Mrs. Dorothy Varney of Pike County and commends her family to the solace of the Almighty.

Section 2. That when this honorable body does adjourn this day, Thursday, April 12, 1984, it does so in honor and memory of Mrs. Dorothy Varney.

Section 3. That the Clerk of the House is directed to transmit a copy of this resolution to the family of Mrs. Dorothy Varney of Pike County.

HR 175 was adopted by voice vote.

Representative Deskins moved the adoption of the following **HR 176:**

HR 176, A RESOLUTION adjourning the House of Representatives in honor and memory of William Butch Davis of Pikeville, Kentucky.

In loving tribute we pay homage to the memory of William Butch Davis.

WHEREAS, William Butch Davis of Pikeville was tragically killed during baseball practice at the Pikeville High School; and

WHEREAS, William Butch Davis was the devoted and loving son of Gene and Mary Louise Davis and brother of Rita Jean and Ninta Louise Davis; and

WHEREAS, a senior at Pikeville High School, William Butch Davis was an academic scholar consistently on the honor roll; and

WHEREAS, known for his excellence in athletic competition, William Butch Davis was voted to be the "Most Athletic" of the Senior Class; and

WHEREAS, the entire student body voted William Butch Davis to be "Mr. Pike High" for 1983-84; and

WHEREAS, a member of the Pikeville Basketball team, William Butch Davis was selected to play on the District All-Tournament team and the All-E.K.M. Conference team, where he averaged 21 points per game; and

WHEREAS, William Butch Davis was an active member of the First Baptist Church of Pikeville; and

WHEREAS, William Butch Davis will always be remembered for his special and outstanding personality, his cheerful disposition and his dedication and compassion for his peers, his faculty at school and the entire Pikeville community;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House does express its utter sense of bereavement and loss upon the tragic and untimely death of William Butch Davis and commends his family to the solace of the Almighty.

Section 2. That this honorable body proudly presents this tribute to the parents of William Butch Davis who was an outstanding Kentuckian and whose memory will serve as an exemplary representative of the Commonwealth for all who know him.

Section 3. That when the House does adjourn this day, Thursday, April 12, 1984, it does so in honor and memory of William Butch Davis.

Section 4. That the Clerk of the House is directed to transmit a copy of this resolution to Gene and Mary Louise Davis of Pikeville, Kentucky.

HR 176 was adopted by voice vote.

Representative Cowan moved the adoption of the following **HR 179:**

HR 179, A RESOLUTION honoring the University of Louisville Debate Team.

WHEREAS, the skills of debate are among the highest forms of human endeavor in the learning process; and

WHEREAS, winning a debate competition is one of the true indicators of academic excellence in all academic circles; and

WHEREAS, the University of Louisville debate program has brought distinction to the University and to the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the University of Louisville Debate Team is hereby commended for its successes in the National Debate Tournament, and for having made it to the finals of that tournament for the second time in three years.

Section 2. That copies of this resolution be forwarded to President Donald Swain of the University of Louisville and to debate coach Tim Hynes.

HR 179 was adopted by voice vote.

Adjournment

Representative LeMaster moved that the House adjourn until 10:00 a.m., Friday, April 13, 1984.

On the roll call the vote was yeas 72-Allen, Arnold, Barrows, Bennett, Blevins, Brinkley, Brown, Caldwell, L. Clark, P. Clark, Clarke, Cline, Cowan, Crupper, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Foster, Fryman, Gedling, Hancock, Handy, Harper, Head, Holbrook, Holloway, R. Jones, T. Jones, Kenton, Kidd, Layman, Lefevers, Little, Long, Maggard, Mann, McBee, McNutt, Meyer, Moberly, Morris, Noe, Noland, O'Brien, Pearman, Perkins, Petty, Priddy, Rapier, Reinhardt, Richards, B. Richardson, Riner, Robinson, Seum, B. Smith, F. Smith, Stone, Thomas, Thomason, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 9-Crupper, Ford, Heleringer, LeMaster, Lile, List, Moore, Overstreet, P. Richardson.

The motion to adjourn was adopted.

FRIDAY, APRIL 13, 1984

SIXTIETH LEGISLATIVE DAY

The House was called to order by Speaker Richardson.

Prayer by Reverend Donald Nunnelly, First Christian Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Bendl, Deskins and Morris.

Representative Brinkley moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Brinkley moved that the reading of the Journal of April 12, 1984, be dispensed with and the same approved. Agreed.

Orders of the Day

Representative Nett moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Nett moved that the rules be suspended to allow a roll call to show co-sponsors of **HCR 178**. Agreed.

The following members requested that their names be added as Co-Sponsors of **HCR 178:** Allen, Arnold, Barrows, Bennett, Blandford, Blevins, Brinkley, Bronger, Brown, Bruce, Burch, Burnette, Caldwell, Clapp, L. Clark, P. Clark, Clarke, Cline, Cowan, Craddock, Crupper, Curd, Cyrus, Dawahare, Deskins, Donnermeyer, Dunn, Ellington, Endicott, Farrow, Ford, Foster, Freibert, Fryman, Gedling, Gray, Guenthner, Hancock, Handy, Harper, Head, Heleringer, Hines, Holbrook, Holloway, Johnson, R. Jones, T. Jones, Kenton, Layman, Lefevers, LeMaster, Lile, List, Little, Long, Mann, McBee, McElroy, McNutt, Meyer, Moberly, Moore, Nett, Noe, Noland, O'Brien, Overstreet, Pearman, Perkins, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Seum, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, White, Williams, Worthington, Yates.

Representative Nett moved the adoption of the following **HCR 178:**

HCR 178, A CONCURRENT RESOLUTION honoring Sherleen Sisney, 1984 National Teacher of the Year.

WHEREAS, Mrs. Sisney has for thirteen years demonstrated an unwavering dedication to the eductional development of the students at Ballard High School in Jefferson County; and

WHEREAS, Mrs. Sisney is one of the founders of the Local School/Business Partnership Program of the Junior League of Louisville; and

WHEREAS, Mrs. Sisney has received recognition for excellence in teaching from the Kentucky Council for the Social Studies; and

WHEREAS, in 1983 Mrs. Sisney received the Phi Delta Kappa outstanding teacher award; and

WHEREAS, Mrs. Sisney was named the Jefferson County Teacher of the Year and the Kentucky Teacher of the Year in 1983; and

WHEREAS, the annual award for National Teacher of the Year is sponsored by the Council of Chief State School Officers, Encyclopedia Britannica, and Good Housekeeping Magazine; and

WHEREAS, Mrs. Sisney is the only Kentucky teacher to be named National Teacher of the Year in the thirty-three year history of the award; and

WHEREAS, on Monday, April 9, 1984, President Ronald Reagan honored Mrs. Sisney at a Rose Garden ceremony attended by Secretary of Education T. H. Bell and other dignitaries; and

WHEREAS, the selection of Mrs. Sisney as National Teacher of the Year creates a positive reflection upon not only the teachers and schools of Kentucky, but upon all citizens of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That Mrs. Sherleen Sisney be commended and recognized as the National Teacher of the Year.

Section 2. That a copy of this resolution be sent to Mrs. Sisney, Governor Martha Layne Collins, Superintendent of Public Instruction Alice McDonald, and Dr. Donald Ingwerson, Superintendent of Jefferson County schools.

HCR 178 was adopted by voice vote.

Representative Pearman moved that the rules be suspended to act upon a Legislative Citation. Agreed.

Representative Pearman moved the adoption of Legislative Citation No. 278. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the North Hardin High School Band, Radcliff, Kentucky, and your excellent director, W. Dale Warren and staff, for your outstanding performance at the Great Southern Band Contest of Champions in Orlando, Florida, April 7, 1984, as you captured 1st place. We applaud you for the forty-two 1st place awards you have compiled for 1983-84 and recognize you for your tireless efforts, great ambition and school loyalty. Your hard work and dedication was rewarded when you received the title of Grand Champions of the: Danville Contest, Elizabethtown Contest, Meade County Contest, LaRue County Contest, the Festival of Champions Contest at Murray State University, and the Reserve Grand Champion of Champions Contest at Murfreesboro, Tennessee. This prestigious body salutes you for the honor and pride you have bestowed on your school, community and the Commonwealth of Kentucky as you earned and enviable reputation and distinguished yourselves in receiving these coveted titles. (Sponsored by Representative Pearman)

Representative Burch moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

Introduction of Resolution

HR 180, by Representative Burch: A RESOLUTION requesting Judge Martin Johnstone to release Jim Gambrell from jail.

Orders of the Day (Continued

Representative Burch moved the adoption of the following **HR 180:**

HR 180, A RESOLUTION requesting Judge Martin Johnstone to release Jim Gambrell from jail.

WHEREAS, on Monday, April 9, 1984, Jim Gambrell was sentenced to six months in jail for contempt of court; and

WHEREAS, Jim Gambrell's only crime was that he was using his Godgiven talents to practice denturism, an occupation he was trained and qualified to practice; and

WHEREAS, Jim Gambrell and the edentulous citizens of the Commonwealth of Kentucky need to be rescued from the jaws of justice and the tyranny of the teeth mongers;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That Judge Martin Johnstone is hereby requested to release Jim Gambrell from jail in order to right the gross miscarriage of justice that has been perpetrated and permit him to return home to his family.

On the roll call the vote was yeas 37-Allen, Bennett, Brinkley, Bronger, Brown, Burch, L. Clark, P. Clark, Cowan, Cyrus, Dawahare, Dunn, Endicott, Ford, Fryman, Gedling, Gray, Heleringer, Holloway, Johnson, Lile, Maggard, McBee, Moore, Nett, Noland, Pearman, Perkins, Petty, Priddy, Stone, Todd, Turner, Van Horn, Williams, Worthington, Yates. Nays 6-Blevins, Caldwell, Craddock, Donnermeyer, LeMaster, Moberly.

HR 180 was adopted and the title agreed to.

Representative Dawahare moved that the rules be suspended to act upon Legislative Citations. Agreed.

Representative Dawahare moved the adoption of Legislative Citations Nos. 286 and 287. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby commends you, the Neon Fire Department and Rescue Squad, and Chief Carter Blevins, for your benevolent spirit and your excellent volunteer service in providing help in various and immediate emergencies. Your humanitarian acts, so vital to the well-being of your fellowman, prove your ultimate concern and compassion. Your badge of "Ready and willing to Serve" is most evident at school, civic and recreational activities and projects. In the midst of disasters, accidents, catastrophies, calamities and tragedies, it is comforting to know that you are available and in the line of service. Your self-sacrifice and self-denial will help build a healthy and wholesome community and society. This body salutes you for your courage and vigilant service. (Sponsored by Representative Dawahare)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, the Mayking Fire Department and Chief Roger Baker, for your benevolent spirit and your excellent volunteer service in providing help in various and immediate emergencies. Your humanitarian acts, so vital to the well-being of your fellowman, prove your ultimate concern and compassion. Your badge of "Ready and willing to Serve" is most evident at school, civic and recreational activities and projects. In the midst of disasters, accidents, catastrophies, calamities and tragedies, it is comforting to know that you are available and in the line of service. Your self-sacrifice of self-denial will help build a healthy and wholesome community and society. This body salutes you for your courage and vigilant service. (Sponsored by Representative Dawahare)

Representative Dawahare moved the adoption of Legislative Citations Nos. 399 through 402. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby commends you, the Jenkins Fire Department, for your indispenable and outstanding services to your community in fire prevention and safety, ultimate protection and the public welfare. In the midst of great perils, you have made the supreme sacrifice of life, always going beyond the call of duty, investing long hours and tireless efforts. This dedication, a self-sacrifice and humanitarian spirit have made your community a better place in which to live. This prestigious body salutes you for your unselfish and sacrificial services to all mankind. (Sponsored by Representative Dawahare)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, the Letcher Fire Department, for your indispenable and outstanding services to your community in fire prevention and safety, ultimate protection and the public welfare. In the midst of great perils, you have made the supreme sacrifice of life, always going beyond the call of duty, investing long hours and tireless efforts. This dedication, a self-sacrifice and humanitarian spirit have made your community a better place in which to live. This prestigious body salutes you for your unselfish and sacrificial services to all mankind. (Sponsored by Representative Dawahare)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, the Durham Fire Department, for your indispenable and outstanding services to your community in fire prevention and safety, ultimate protection and the public welfare. In the midst of great perils, you have made the supreme sacrifice of life, always going beyond the call of duty, investing long hours and tireless efforts. This dedication, a self-sacrifice and humanitarian spirit have made your community a better place in which to live. This prestigious body salutes you for your unselfish and sacrificial services to all mankind. (Sponsored by Representative Dawahare)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Monick Wampler, for your outstanding athletic accomplishments at Whitesburg High School. Your being named All State in Track is exemplary of your exceptional talent. These noteworthy accomplishments will provide a fine example for todays youth. You have been an inspiration and a model of behavior for the pupils of Whitesburg High School. This prestigious body salutes you for the honor and pride that you have bestowed upon your school, community and the Commonwealth of Kentucky. (Sponsored by Representative Dawahare)

Recess

Representative LeMaster moved that the House recess for ten minutes. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day

Representative LeMaster moved that **HB 474** be taken from Orders of the Day for consideration of the Governor's veto. Agreed.

Representative Stumbo moved that **HB 474** be placed on passage, the Governor's veto notwithstanding.

On the roll call the vote was yeas 42-Allen, Blandford, Blevins, Bronger, Brown, Clapp, L. Clark, Cline, Curd, Cyrus, Dawahare, Donnermeyer, Dunn, Endicott, Ford, Fryman, Gray, Guenthner, Heleringer, Johnson, T. Jones, Lefevers, Little, Maggard, Mann, Moberly, Moore, Noe, Noland, Perkins, Robinson, Seum, F. Smith, Stumbo, Thomas, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 50-Arnold, Barrows, Bennett, Brinkley, Bruce, Burch, Caldwell, P. Clark, Clarke, Cowan, Craddock, Crupper, Ellington, Farrow, Foster, Freibert, Gedling, Hancock, Handy, Harper, Head, Hines, Holbrook, Holloway, R. Jones, Kidd, Layman, LeMaster, Lile, List, Long, McBee, McElroy, McNutt, Meyer, Nett, O'Brien, Pearman, Petty, Priddy, Rapier, Rattliff, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, B. Smith, Stone, Thomason.

The motion that **HB 474** be passed, the Governor's veto notwithstanding, was rejected.

HB 474 ordered delivered to the Secretary of State.

SCR 114 taken from the Orders of the Day. Representative LeMaster moved that it be placed upon its passage. Agreed.

Representative LeMaster moved the adoption of the following **SCR 114:**

SCR 114, A CONCURRENT RESOLUTION to adjourn the 1984 Regular Session of the General Assembly sine die.

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That when the Senate and the House of Representatives adjourn on Friday, April 13, 1984, they do adjourn sine die.

SCR 114 was adopted by voice vote.

Senate Message

Announcing passage of **SCR 117** and **HCR 177.**

HB 334 returned with the following message: The Senate has voted to pass **HB 334,** the objections of the Governor notwithstanding, and is respectfully returning same to this Honorable Body.

Motions, Petitions, and Communications

Representatives Moberly moved the adoption of Legislative Citation No. 404. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates Coach Tim Cahill and the Model High Patriots Swim Team for winning the 1984 Kentucky Boys High School State Swimming and Diving Championship. You collected 3 gold, 1 silver and 4 bronze medals and broke two team records in winning the title. Individual event state titles were won by Brent Lichty, who won the diving competition for the 2nd consecutive year, with an all American consideration score of 464.70; by Robert Gibbs in the freestyle with a school record of 48.93; and by Peter Whitcopf, Frank Ramsdell, Robert Gibbs and Lee Robinson in the 400 freestyle relay with a team record of 3:19.64. In addition, Lee Robinson won a silver and bronze medal and Robert Gibbs, Frank Ramsdell, and Scott Kretzschmar all won bronze medals. This exemplary performance was the culmination of a season in which you finished undefeated in dual meet competition with an 8-0 mark. This body salutes you on your outstanding achievements. (Sponsored by Representative Moberly)

Representative List moved the adoption of Legislative Citation No. 285. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Bluegrass Junior Pro team and their coach, Jerry Scott, and assistant coach, Don Southworth, 1984 national Junior Pro Champions of Lexington, Kentucky. You captured this prestigious title March 31 at Stokely Center in Knoxville, Tennessee by defeating Christian County 61-39. Your excellent record reflects hard work, competitive spirit and a positive team effort. We extend best wishes to "The Champs" - Ronnie Ingram, Glenn Walton, Robbie Ernst, Matt Spoonamore, Griggs Powell, Kip Kirkpatrick, John Crump, Darrin Horn, Christopher Birch and Robbie Koontz. You have brought great honor and pride to your community and the Commonwealth of Kentucky. This prestigious body salutes you for your high level of performance and wishes you continuous victories. (Sponsored by Representative List)

Representative Kenton moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

Introduction of Resolution

HR 181, by Representative Kenton: A RESOLUTION authorizing and directing the Clerk of the House of Representatives to send a message to the President of the United States, the United States Congress, the Chairman of the Federal Communications Commission, the Attorney General of the Commonwealth, and the Kentucky Public Service Commission that the proposed "access fee" for long distance telephone use will effectively deny telephone service to citizens of the Commonwealth who are on fixed or limited income.

Motions, Petitions, and Communications (Continued)

Representative Kenton moved the adoption of the following **HR 181**:

HR 181, A RESOLUTION authorizing and directing the Clerk of the House of Representatives to send a message to the President of the United States, the United States Congress, the Chairman of the Federal Communications Commission, the Attorney General of the Commonwealth, and the Kentucky Public Service Commission that the proposed "access fee" for long distance telephone use will effectively deny telephone service to citizens of the Commonwealth who are on fixed or limited income.

WHEREAS, the Federal Communications Commission has adopted a policy to eventually allow local telephone companies to impose a long distance access charge on all telephone subscribers; and

WHEREAS, the uncontrolled and arbitrary imposition of such an access fee has a far greater impact on citizens of the Commonwealth who live on a fixed or limited income than other users and subscribers; and

WHEREAS, no consideration has been given to the effect of such an access fee on those citizens most directly affected by such action;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives of the Kentucky General Assembly advise the President of the United States, the United States Congress, the Chairman of the Federal Communications Commission, the Attorney General of the Commonwealth and the Kentucky Public Service Commission that the imposition of an access fee for the use of telephone service will effectively deny such service to those citizens who live on fixed or limited incomes.

Section 2. That no such access fee should be permitted or allowed unless the public utility involved first identifies that segment of its subscribers most affected because of age, income or other limitation.

Section 3. That no such access fee be permitted or allowed until the public utility involved presents a comprehensive and acceptable plan for the continuation of service to those subscribers affected by such an access fee because of a fixed or limited income.

Section 4. That the Clerk of the House of Representatives send copies of this resolution to the President of the United States, the members of the Kentucky Congressional Delegation, all other members of the United States Congress, the Chairman of the Federal Communications Commission, the Attorney General of the Commonwealth and the Kentucky Public Service Commission.

HR 181 was adopted by voice vote.

Representative Caldwell moved the adoption of Legislative Citation No. 403. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby salutes and recognizes Gene Swift and Tim McElwain for your outstanding playing ability shown in the 1st Courier Open held on the 11th day of April in the year of our Lord, nineteen hundred and eighty-four. Your exceptional athletic ability and agility on a golf course was manifested in your victory over your opponents, which you literally stomped by a very large margin. We commend you for your victory over Gordon Lunceford, Greg "Weasel" Gorman, and Andrew "Buns" Cheshire and in the fact that you neither gloated nor were braggadocio about your fine accomplishment. This body extends best wishes and good luck in future "Courier Open Golf Classics." (Sponsored by Representative Caldwell)

Representative Cline moved the adoption of Legislative Citation No. 395. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates you, Lorna Maggard, an eighth grade student at Willard Elementary School, for your outstanding spelling achievements. You took top honors at the Carter County School Spelling Bee and the 12th District Spelling Bee at Ashland, Kentucky, and you were Runner-Up in the Tri-State Spelling Bee, which is exemplary of your high standards. These noteworthy accomplishments will provide a fine example for todays youth. You have been an inspiration and a model of behavior for the pupils of Willard, Kentucky. This prestigious body salutes you for the honor and pride that you have bestowed upon your school, community and the Commonwealth of Kentucky. (Sponsored by Representative Cline)

Representative Cline moved that the rules be suspended for the purpose of recording votes. Agreed.

Representative Cline moved that he be recorded as voting "yea" on **HB 271**. Agreed.

Representative Kidd moved that she be recorded as voting "yea" on **HR 178**. Agreed.

Representative Riner moved that he be recorded as voting "yea" on **HB 475**. Agreed.

Representative L. Clark moved the adoption of Legislative Citation No. 282. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the St. Bernard 7th and 8th grade No. 1 basketball team, and your coaches, Sonny Wick, Joe Hill, Oscar Brohm and Chick DeSensi, Champions of the Division No. 1 title for Class AAA schools of the Catholic School Athletic Associations 7th and 8th grade basketball championship. Your thrilling 33-30 win over St. Agnes won you this prestigious honor. Your excellent record reflects hard work, school loyalty, competitive spirit and a positive team effort. We extend best wishes to "The Champs" - Craig Cebe, Steve Hill, John Blair, Jeff Brohm, Jeff Hobbs, Craig Drury, Greg Brohm, Jeff Schulz, Bart McMahon, Brian Rumrill, Todd Luckett, Dan Botkins, Chris Bierman, Peter Rastoncy and Sean Schwenderman. You have brought great honor and pride to your school, community and the Commonwealth of Kentucky. This prestigious body salutes you for your high level of performance and wishes you continuous victories. (Sponsored by Representative Clark)

Representative Crupper moved the adoption of Legislative Citation Nos. 396 through 398. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Cyrus Greene, for your laudable service as the administrator of Owen County Memorial Hospital for the past eight years. Your exemplary record demonstrates great personal sacrifices and constant efforts to maintain and improve your community, as you took the responsibility of administrator after retiring from many, many years in the Owen County School System. Forty years in school administration, as well as Superintendent, well qualified you for the hospital position. Your humanitarian and benevolent spirit is admirably reflected in your public service in numerous community activities. You have shared generously of your knowledge, time resources and experiences for which we are sincerely grateful. This honorable body salutes you for your dedication and contribution to the welfare of others and applauds you for the great distinction that you have brought to your community and the Commonwealth of Kentucky. Our best wishes to you as you begin your second retirement on June 30, 1984. (Sponsored by Representative Crupper)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, F. R. "Dick" Weldon, for your laudable service as Mayor of Warsaw, Kentucky, for the past fourteen years. Your exemplary record demonstrates great personal sacrifices and constant efforts to maintain and improve the community which has been greatly appreciated by the citizens of Warsaw. This well deserved honor recognizes your dedication and compliments you highly for your leadership and integrity. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution, and most noteworthy endeavors to your community and the Commonwealth of Kentucky. (Sponsored by Representative Crupper)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Ben Clifford, son of Mr. and Mrs. Ernest L. Clifford of Cynthiana, Kentucky, for your outstanding achievements as a student at the University of Kentucky. You were recently named Outstanding Sophomore at the Annual Student Awards Ceremony. Especially noteworthy is that you were a recipient of the RJ Reynolds "Pride in Tobacco" Scholarship in 1983-84 and you won the Farm Bureau Outstanding Youth Contest in 1982. These awards are exemplary of your academic goals. This prestigious body salutes and applauds you for all of these honors and extends best wishes as you pursue your career ambitions. (Sponsored by Representative Crupper)

Representative Nett moved the adoption of Legislative Citation Nos. 279 through 281. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby recognizes and commends Dr. William E. Biggs, Professor of Law at the University of Louisville, for outstanding services to members of this honorable body. The House appreciates his tireless efforts in analyzing and summarizing legislation and making it more easily understood by those of us charged with the responsibility of considering and acting upon it. Especially commended in this 1984 Session are his contributions to the publication of the legislative newsletter entitled, "In The Hopper". These services have made it possible for those who have benefited from his services to better carry out our duties as elected representatives of the people and for this we owe and do hereby extend to him our gratitude and hope that in future years this valuable service may be extended to every member of the General Assembly. This prestigious body salutes and applauds you with profound appreciation for your dedication and most noteworthy endeavors to the Commonwealth of Kentucky. (Sponsored by Representative Nett)

The House of Representatives of the Commonwealth of Kentucky hereby recognizes and commends Sheri Perlman, Rebecca Ward, John Stewart and John Schaaf, legal analyst on the Staff of the University of Louisville Government Law Center, now starting its third decade of public service, for outstanding services to members of this honorable body. The members of this body appreciate the tireless efforts of this dedicated group of faculty and students in analyzing and summarizing legislation and making it more easily understood by those of us charged with the responsibility of considering and acting upon it. Especially commended in this 1984 Session is the expansion of the legislative newsletter entitled, "In The Hopper", and arrangements for an operation of a communications link between the citizens of Jefferson County and their elected representatives during the session. These services have made it possible for those who have benefitted from his services to better carry out our duties as elected representatives of people and for this we owe and do hereby extend to them our gratitude and hope that in future years this valuable service may be extended to every member of the General Assembly. This prestigious body salutes and applauds you with profound appreciation for your dedication and most noteworthy endeavors to the Commonwealth of Kentucky. (Sponsored by Representative Nett)

The House of Representatives of the Commonwealth of Kentucky hereby recognizes and commends Pat Daley of the staff of the University of Louisville Government Law Center, for outstanding services to members of this honorable body. The House appreciates her tireless efforts in analyzing and summarizing legislation and making it more easily understood by those of us charged with the responsibility of considering and acting upon it. Especially commended in this 1984 Session is the addition of the legislative newsletter entitled, "In The Hopper", and arrangements for and operation of a communications link between the citizens of Jefferson County and their elected representatives during the session. These services have made it possible for those who have benefitted from her services to better carry out our duties as elected representatives of the people and for this we owe and do extend to her our gratitude and hope that in future years this valuable service may be extended to every member of the General Assembly. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution, and most noteworthy endeavors to the Commonwealth of Kentucky. (Sponsored by Representative Nett)

Representative Dunn moved the adoption of Legislative Citation No. 283. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates you, Connie Graf Ovington, a Junior at Pleasure Ridge Park High School, champion of the state competition in Dental Spelling held in Louisville, Kentucky. As a member of the Kentucky Health Occupations Students of America Club, you will now compete in the National HOSA Convention in Orlando, Florida, June 25 - July 1, 1984. The words for this competition are taken from *Clinical Dental Terminology* which means that you must literally memorize a dictionary, which is exemplary of your academic goals. Your high standards have brought great pride to your school and community. This prestigious body salutes you and extends to your our very best wishes for your success at the National HOSA Convention. (Sponsored by Representative Dunn)

Representative Stumbo moved the adoption of Legislative Citation No. 284. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby congratulates the Martin Junior Pro Girls' Basketball League, your coach, Bide Click, and managers Angie Martin and Tonya Crum, 1984 Girls Junior Pro National Champions. Earning you the privilege of participating in this tournament was your victory in the Girls Junior Pro Kentucky State Tournament. Your excellent record reflects hard work, competitive spirit and a positive team effort. Your outstanding victory is an expressed manifestation of your high level of performance. This prestigious body applauds you for your fine accomplishments and the honor and pride you have bestowed on your community and the Commonwealth of Kentucky. (Sponsored by Representative Stumbo)

Representative F. Smith moved the adoption of Legislative Citation No. 288. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Dorothea Stottman, for your laudable service as the Librarian of the Ridgway Memorial Library, Shepherdsville, Kentucky. Your exemplary record demonstrates great personal sacrifices and constant efforts to maintain and improve the library. Your humanitarian and benevolent spirit is admirably reflected in public service demonstrated through your involvement in the Brooks Homemakers, the Shepherdsville and Roby P.T.A., the Order of the Eastern Star and the First Baptist Church. Especially noteworthy is your honor as Outstanding Homemaker in Bullitt County and the Outstanding Citizenship award from the Lions Club. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and most noteworthy endeavors to the Ridgway Memorial Library, your community and the Commonwealth of Kentucky. We extend best wishes of health and happiness to you and your family as you begin your many years of retirement. (Sponsored by Representative F. Smith)

Representative Riner moved the adoption of Legislative Citations Nos. 186 through 256 and Nos. 289 through 394. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Robert L. Clemons, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, James E. Copeland, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Lymon T. Johnson, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Claud I. Emrich III, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Jennie Cantrell, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, George W. Ferrell, Jr., for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Emma Cassell, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Joseph P. Ludwig, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Tommy K. Duffy, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Kathryn Benton, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, David William Brooks, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Mary Louise May, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Helen M. Franz, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Willmuth Louise Bottom, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Eugene H. Cassell, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Willard D. Bratcher, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Mary Jane Silliman, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Ron Schaefer, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Linda Gail Frost, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Lucion Gay, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Janet Lee Hazelwood, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Mark Wm. Daniels, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Gordon Stoudemire, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Viola Lumpkins, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Margaret M. Felhoelter, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Ramona Sadler, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Jean Carpenter, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Terry Lee Whiteside, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Harding Strawther, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Betty J.

Brewington, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Patricia J. Dodge, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Sharman Douthitt James, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Richard Lee Page, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, William E. Marlowe, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Julia M. Woods, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Vernell Marie Conley, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Viola Ann Ferrell, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Carl R. Dick, Sr., for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Geraldine Christian, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Cutchins Wilson Hammon, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Norman E. Coates, Jr., for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Willie Cameron, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Jack C. Crutcher, Sr., for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Henry D. Finch, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Rosemary Panagiote, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Karen Jenetta Briggs, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Audrey Lockwood, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Laurence A. Carr, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Charles P. Thomas, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Alta M. Burnett, Ph.D., for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Margaret Holt Brown, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Joe Mack, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Jacqueline Ordway, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Charles Ray Brown, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Thomas J. Coulley, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Patsy Newland, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Carl E. Hammack, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Ricky Armour, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Louis Simon, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Otella C. Parrish, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Charles Homeister, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Flo Evans, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Kathleen H. Trunick, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Joseph Pryor, Jr., for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Richard B. Embry, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Charles Franklin Rice, DMD, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Anthony A. Mayfield, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Marian V. Gosling, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Deborah J. Price, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Brenda Homeister, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner) and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Laurence Tureaud, "Mr. T.", for your Christian example and testimony to the youth of this great nation. Your urging the youth of this country to adhere to the virtues of hard work and the need for a strong faith in Jesus Christ and encouraging young admirers to honor traditional family values and to respect their parents while discouraging the use of drugs, alcohol and violence is exemplary of your dedication to proclaiming God's Word to our youth. Your commitment to putting Jesus First and giving Him glory is truly the key to your success. This honorable body recognizes you, Mr. T., as an outstanding role model for our youth, as well as an exemplary representative of the United States and the Gospel of Jesus Christ. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends Bro. Richard P. Oldham, Pastor of the Great Glendale Baptist Church in Bowling Green, Kentucky, for his twenty-seven years of faithfully proclaiming the Gospel of our Lord and Savior Jesus Christ. Through his multifaceted ministry over one hundred men and women are now in full time Christian Service throughout Kentucky, across America and on Mission Fields around the world. His sharing of himself with other Pastors and ministries in evangelism has been greatly blessed of God, which evidences itself by his being much sought after as Evangelist for Revival Meetings and guest speaker for numerous occasions. As a leader in Personal Evangelism he has led Glendale Baptist Church to reach and baptize over 3,000 people to the Glory of God. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Goldie W.

Beckett, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Mrs. Gwenyth Miller, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Sally Laemmle Nolan, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is adminirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Cynthia Barbour Welch, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Joseph C. Armstrong, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Michael L. Holt, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Roy Bush, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Georgia Denk, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Frances Bloom, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Mary Morgan, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Pauline Lee, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Bertha Grant, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Matonic Ridley, Jr., for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Dolores Lannan, Jr., for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Dick Lannan, Jr., for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Doris Branch, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Clifford Bradley, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Chris Bradley, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Roger Bradley, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Paula Jean Aebersold, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Edward Kohler, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, George Watson, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Uriah Thompson, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Frances Woods, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Emma Wiley, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Mary Sublett, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Yolanda Sublett, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Dora Gathof, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Agnes Laws, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Josephine Vowels, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Christine Bruce, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Mary E. Hildenbrand, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Jim Isaac, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Virginia C. Taylor, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Curtis Johnson, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Betty Finch, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Margaret Taylor, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, Bonita Simpson, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

The House of Representatives of the Commonwealth of Kentucky hereby commends you, John Clark, for your most noteworthy endeavors in community involvement and your sincere dedication to a worthy cause. Your exemplary record of achievement demonstrates great personal sacrifices. Your benevolent spirit is admirably reflected through your involvement in public service. This prestigious body salutes and applauds you with profound appreciation for your dedication, contribution and the distinction that you brought to Louisville and the Commonwealth of Kentucky. (Sponsored by Representative Riner)

Citation Numbers 329 through 394 by Representative Riner were presented by name only as follows: Jeffrey Thompson, George Ferrell, Jr., Mamie Hughlett, Alberta Harris Carter, Rose Thompson, Carrie Moody, Carolyn Hamer, Catherine Porter, Beverly Belak, Martina Todd, Ted Jackson, Eljethel Coatley, Barbara Jones, Ron Kircher, Jeanne Schroeder, Linyon J. Webb, Shirley K. Crockett, Mae Lou Walker, Sheila A. Walker, Vanta King, Lucy Schmuckie, Yvonne Brooks, Mattie Bell, Elsie Marie Dewitt, Jeannie Cantrell, Margaret Davis Stewart, George Cowan, James W. Bibb, John Louis Byron, Barbara Jones, Hazel Pratt, Gordon Henry Stoudemire, Ruth R. Broomfield, Mary Napper, Kathleen Wilson Boehler, Charles Raymond Cecil, Janie Ellen Bradley, Mary Dolores Collins, Jimmie D. James, Mary Anne Heverin, Roger Dale Bradley, Paul Edward Carle, Dorothy L. Mattern, Rachell Black Tindall, Victoria Lynn Timmel, Geoffrey Peter Monis, Mary Jeanne Begert, Joseph W. Begert, Marilyn Swain, Samuel Hatcher Lively, Jr., Doris Marie Lively, Mamie Mildred Brewer, Joseph Walter O'Bryan, Gerhard Henry Hillebrand, John Anthony Kiefer, George Edwin Hamilton, Carl Maurice Brooks, Dr. Lamont R. Gholston, Richard Foos, Vernon E. Embree, Karen M. Timmel, Lewis H. Newman, Sr., Marcella D. Bethel, Larry W. Daniel, Beverly Howard Belak, Maurice A. Kallin.

Senate Message

Announcing passage of **HCR 178.**

Motions, Petitions, and Communications (Continued)

Representative Robinson moved that the rules be suspended for the purpose of recording a vote. Agreed.

Representative Robinson moved that he be recorded as voting "yea" on **HR 180.** Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 334, HCR 177,** and **HCR 178** had been examined and found correctly enrolled. Said Bills read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 1:17 p.m.)

HCR 177 and **HCR 178** delivered to the Senate, signed by President. Ordered delivered to the Governor.

HB 334 delivered to the Senate, signed by President. Ordered delivered to the Secretary of State.

Motions, Petitions, and Communications (Continued)

Representative Brinkley moved that the reading of the Journal of this day, April 13, 1984, be dispensed with and the same approved. Agreed.

Representative Brinkley moved that the Journal of the House of Representatives for the 1984 Session be approved. Agreed.

The Journal of the House of Representatives was read, compared and approved.

Adjournment

Representative LeMaster moved that the House adjourn sine die.

On the roll call the vote was yeas 57-Allen, Arnold, Barrows, Bennett, Blandford, Brinkley, Bronger, Bruce, Burch, Burnette, L. Clark, Clarke, Craddock, Donnermeyer, Dunn, Endicott, Ford, Foster, Freibert, Fryman, Gedling, Harper, Johnson, R. Jones, T. Jones, Kenton, Kidd, Lefevers, LeMaster, List, Lundergan, Mann, McBee, McElroy, McNutt, Moberly, Nett, Noe, Noland, O'Brien, Pearman, Priddy, B. Richardson, Riner, Robinson, B. Smith, F. Smith, Stone, Stumbo, Thomas, Todd, Turner, Van Horn, White, Williams, Worthington, Yates. Nays 5-Blevins, Handy, Maggard, Perkins, Holloway.

The motion that the House adjourn sine die was adopted.

The House adjourned sine die.

signed: Bobby H. Richardson
APPROVED: Bobby H. Richardson, Speaker
House of Representatives

signed: Evelyn Marston
ATTEST: Evelyn Marston, Chief Clerk
House of Representatives

HISTORY OF HOUSE BILLS

(Numbers refer to page of House Journal. The text of a bill is given on first reading.
Sponsors are indicated on the page of introduction.)
*Voting modifications appear at the member's name in the subject index.

		Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
					1st	2nd	3rd					
HB	1	3	14	91	91	107	142	618	979	92	142 775	18 57 70 110 116 145
HB	2	3	13									45 2771
HB	3	3	13	89	90	107	176	406	416		176	18 59 60 122 2908
HB	4	3	13	632	632	678	908	2287	2762	633	908 2596	116 689
HB	5	3	13	23	23	57	69	257	259		69	17 18 57
HB	6	3	14									45 56 110
HB	7	3	13	63	63	92	116	460	979		116 775	56 96
HB	8	3	13	23 1692	23	57	1969			1693	1970	17 18 116 1421 1839
HB	9	3	13	63	64	92	117	460	485		117	56 96
HB	10	3	14	468	468	525	564	1162	1172		564	380 542
HB	11	3	13	191 1805	191	215	2397				2397	45 154 222 1672 2090 2109
HB	12	3	13	23	24	57	69	257	259	26	69	17 18 57
HB	13	3	13	23	26	57	60	257	259		60	17 18 57
HB	14	3	13	407	407	483	657	1134	1157	407 616	658	106 579 685 2908
HB	15	3	13									
HB	16	3	13	1173	1173	1316	1492	2287	2399	1176 1178	1492	1019 1337
HB	17	4	14	133	133	169	193	732	1157		193 1106	107 176

		Introduced	Referred	Reported		Readings		Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
					1st	2nd	3rd					
HB	18	4	13									974
HB	19	4	13	100	100	116	192	618	979	100 183	192 776	63 69 110 122 204
HB	20	4	13	41 895	41	57	108	2256	2399	118 119 895 987	1015	17 18 75 108 182 682 978
HB	21	4	14	1293	1293	1415	1492	2571	2588		1492	1140 1452
HB	22	4	13	63	65	92	144	508	526	66	144	56 116
HB	23	4	13	270	270	351	393	944	973	271	393	56 362
HB	24	4	13	270	272	351	393	944	973	273	393	56 362 395
HB	25	4	13	191 539	191	215	611	2675 2805 2904	2908	539 2845	611 2850 2902	106 258 380 554 2789 2877
HB	26	4	13	270 990	273	351	1146	1942	2251	273	1146 2085	154 362 922 1086
HB	27	4	13									70 154 1140 1996
HB	28	4	14									45
HB	29	4	13	509	509	542	767			509 685	767	110 111 619
HB	30	4	14	133	133	169				134 197		21 222 258
HB	31	4	14									
HB	32	4	13	213	213	240	397	668	681	214	397	18 145 154 300 357 395
HB	33	4	13	581	581	654				584 616		70 110 220 243 402 509 529 570 616 689 881 1022 1082 1570 1672 2771

HISTORY OF HOUSE BILLS

	Intro-duced	Re-ferred	Re-ported	Readings 1st	2nd	3rd	Senate Message	En-rolled	Sub. or Amend	Voting*	Other Action
HB 34	4	13	75	75	107	177	1063	1157		177 1107	45 56 122 402
HB 35	4	13	75	76	107	195	944	1157	174 183	195 1107	17 45 176
HB 36	5	13	23	26	57	108	1134	1491	36	108 1322	17 18 75
HB 37	5	13	23	36	57	109	944	973	41	109	17 18 75
HB 38	5	13	101 1173	101	116	1663	2469	2518		1663	16 122 570 1140 1490
HB 39	5	13	172	172	176	215	541	544		215	111 186
HB 40	5	13	85	85	107				87 94 113		21 70 122 170 243
HB 41	5	13 14	322	322	376	416	1134	1491	324 403 457	416 1322	18 243 357 397 529 2090
HB 42	5	13	41	41	57	169	989	1491	70 94 145	170 1324	17 18 57 116
HB 43	5	13 14	278	278	351	393			278	393	18 172 362 402
HB 44	5	13 14	133	137	169	193	732	768		193	18 21 176
HB 45	5	14	67	68	92	144	732	768		144	18 21 116
HB 46	5	14	133 1046	138	169	1321			141 1046	1321	107 176 682 1173
HB 47	5	14	338	338	376	398	1162	1172		398	218 392
HB 48	5	13									
HB 49	5	13	21	21	57	109	299	379	22	109	17 18 75
HB 50	5	13									
HB 51	5	13	75 990	77	107	1419	2586	2807	119 990 991	1420 2784	56 70 110 116 118 922 1234 2771 2908

		Introduced	Referred	Reported		Readings		Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
					1st	2nd	3rd					
HB	52	5	13	232	232	258	351				351	107 268
HB	53	5	13	232	233	258				234		107 268 1105
HB	54	5	14									
HB	55	6	13									300 1131
HB	56	6	14									
HB	57	6	13	226	226	258	378	732	768	227	378	16 57 110 285 300 395 1869
HB	58	6	13									488 1131
HB	59	6	14									357 986
HB	60	6	14	1629	1639	1743	2254			1653 1680 1827 2102	2254	1421 2011
HB	61	6	13									18 110
HB	62	6	14									
HB	63	6	14									
HB	64	6	13									111 145 1131
HB	65	6	14									
HB	66	6	14	133	141	169	194	668	681		194	21 176
HB	67	6	21	222	222	258	377	1157	1491	225 262 285 357 358 359	378 1325	18 59 285 300
HB	68	6	14									1825
HB	69	6	14	180 990	180	192	1420			180 1082 1509	1664	111 222 922 1234 1420 1569
HB	70	6	21									285
HB	71	6	13	232	234	258	377	1063	1105	359	377	21 268
HB	72	6	13	1111	1111	1144	1208	1839	1861		1208	107 1158
HB	73	6	13	44	44	57	92	406	979		92 774	17 18 63
HB	74	6	13									
HB	75	7	13	154 1805	154	176	2071	2665	2667	1805	2072	70 75 182 186 357 395 1942 2090

HISTORY OF HOUSE BILLS

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
				1st	2nd	3rd					
HB 76	7	13	1089	1089	1144	1471	2764	2783	1333	1471	701 1022 1082 1131 1337
HB 77	7	13									122 403
HB 78	7	13									14
HB 79	7	13									45 197
HB 80	7	13	225	225	258	352	977	981	226	352	63 69 268
HB 81	7	13									63 69 403
HB 82	7	16									731
HB 83	7	13									18 659
HB 84	7	13									16 110 1149
HB 85	7	13									
HB 86	7	14	1050	1050	1103	1418			1165	1419	945 1234
HB 87	7	13	509 1943	510	542	2397	2675	2762	511 1943	2398	63 69 689 1472 2109 2471
HB 88	7	14									172
HB 89	7	14	694	694	767						45 220 357 990 2908
HB 90	7	13									14 110
HB 91	7	14									18
HB 92	7	13									395 1570
HB 93	7	13	689	689	767	1013	1669	2526	987	1013 2408	682 685 731 883 1022 1976 2287 2288
HB 94	7	14									
HB 95	7	13									
HB 96	7	13									14 110
HB 97	7	13									110 243 2471
HB 98	7	13	581	588	654	698			589	698	509 669
HB 99	7	14	207	207	240	274			209	275	110 118 220 258 285 395
HB 100	7	13									70 110

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
				1st	2nd	3rd					
HB 101	8	14									118
HB 102	8	14									2770
HB 103	8	13									
HB 104	8	13									14 110
HB 105	8	13									14 110 2090
HB 106	8	14	338	338	376	542	2287	2588		542 2530	261 392
HB 107	8	14	338 1805	339	376	2072	2770	2822	341 1938	2072 2809	261 397 1498 1942
HB 108	8	14	338	341	376	542	1778	1796		543	261 392
HB 109	8	13									110
HB 110	8	14	338	341	376	543	1085 1551	1662	530	543	261 392
HB 111	8	14	555 1570	556	611	1798	2495	2526	558 1570	1799	110 118 619 1421 1691
HB 112	8	14	1277	1277	1415				1278		181 1452
HB 113	8	13	154	157	176	216	1492	1547	220 255	216 259	75 186 219
HB 114	8	13	172	172	176	216				216	111 182 186
HB 115	8	13									110 2090
HB 116	8	13									1140
HB 117	8	13									16 1149
HB 118	8	13	21	22	57						17 18 116 154 258
HB 119	8	13	300	300	376	911			310 505 530 549 571 665 685	912	181 509
HB 120	8	13	21	22	57	93	257	259	23	93	17 18 63 70 110
HB 121	8	13									18 45 219 659
HB 122	8	13	100	100	116						63 69 154
HB 123	8	13	461	461	525	769	1801	2251		769 2077	423 669
HB 124	8	13 14	993	993					995 996		18 75
HB 125	9	14									

		Intro-duced	Re-ferred	Re-ported		Readings		Senate Message	En-rolled	Sub. or Amend	Voting*	Other Action
					1st	2nd	3rd					
HB	126	9	14	163	164	176	216	1942	1966	360	216 376	118 186 242
HB	127	9	13	363	363	392	526	977	981	363 505	526	122 243 461
HB	128	9	14	555	558	611	678	1162	1172	558	678	176 619
HB	129	9	13									614
HB	130	9	13									16 45
HB	131	9	13									
HB	132	9	14	338	343	376	397	1085	1105	344	397	70 118 145 182 392
HB	133	9	14									70 1825
HB	134	9	14	1629	1629	1743	1861				1861	1498 1778
HB	135	9	13									16 1149
HB	136	9	13									16
HB	137	9	13									16 1149 1231
HB	138	9	13									16
HB	139	9	13	885	890	969	1063	2245	2588	891	1064 2527	16 990
HB	140	9	13									16
HB	141	9	13									16
HB	142	9	13									261
HB	143	9	14									380
HB	144	9	13									
HB	145	9	13	83	83	107	142	257	259		142	59 116
HB	146	9	14							1444 1683		75 1499 1569
HB	147	9	13	89	90	107	143	267	299	91	143	59 69 116
HB	148	9	13									116
HB	149	9	13									116
HB	150	9	13									116 423
HB	151	9	13									
HB	152	9	14	410	410	483	544			411 506 530	544	176 509
HB	153	10	13	225 1092	226	258	1418	2759	2807	1092	1418 2785	176 392 529 779 1022 1234
HB	154	10	13	431	440	483	544	1162	1172	442	544	395 509
HB	155	10	13	1575	1589	1661	1974			1594	1974	1140 1839
HB	156	10	13									883
HB	157	10	13	701	701	767	982	1839		701	982	619 945 2078 2080

		Introduced	Referred	Reported		Readings		Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
					1st	2nd	3rd					
HB	158	10	13	101	103	116	177	397	400		177	16 70 154 395 1869
HB	159	10	14									56
HB	160	10	16	669	669	697	971			670	971	56 883
HB	161	10	14	669	670	697	908			673 728	909	56 733
HB	162	10	15									682
HB	163	10	13									70
HB	164	10	13									21
HB	165	10	13	945	945	978				959		423 990 1158 1472
HB	166	10	13	111	111	116	177	1234	1320		177 215	21 154 179
HB	167	10	13	122	122	169	192	240	242	183	192	106 176
HB	168	10	14									
HB	169	10	13	111	111	116	170			112	170	21 122 182
HB	170	10	14	712	712	767	969				969	222 883 1022
HB	171	10	14									
HB	172	10	13									21
HB	173	10	13									197
HB	174	10	14									2090
HB	175	10	13	146	146	169	194	1839	1861	183	194	107 110 176
HB	176	10	14	133	141	169	240	2245	2588	142	241 2528	21 206 243
HB	177	10	13	232	234	258	401	2675		234	401	21 357 392 2796
HB	178	10	14	742	742	908				746		145 533 1087 1570
HB	179	10	13	1111	1113	1144	1546			1116 1509	1546	554 614 1452
HB	180	11	14									
HB	181	11	20									
HB	182	11	16	693	693	767	970	1491	1745	694	970 1556	669 883
HB	183	11	16									
HB	184	11	16									19 146
HB	185	11	16									669
HB	186	11	16									
HB	187	11	16	103	103	116	178					19 154 178 1570
HB	188	11	16									94
HB	189	11	16									243 701 2090

		Intro-duced	Re-ferred	Re-ported		Readings		Senate Message	En-rolled	Sub. or Amend	Voting*	Other Action
					1st	2nd	3rd					
HB	190	11	16									2090
HB	191	11	16									
HB	192	11	16									
HB	193	11	16									19 146 1472
HB	194	11	16	180	180	192	241	1234	1745	181	241 1555	75 110 118 206
HB	195	11	16	162	162	176						75 110 145 182 204 222 2090
HB	196	11	16	373	373	392	527	1551	2251		527 2080	75 110 145 461 1022 2090 2908
HB	197	11	16									18 70
HB	198	11	16									18
HB	199	11	16									
HB	200	11	16	162	163	176	258	1452	1469	243 245	258	19 206 243 285 2908
HB	201	11	16									110
HB	202	11	16									
HB	203	11	16	431	443	483				450		395 509 922 1211
HB	204	11	15									
HB	205	11	16	123	124	169						111 186
HB	206	11	15									300 1131 1452
HB	207	11	16	1094 1661	1094	1144	2585			2000 2300	2585	1234 1472 2109
HB	208	11	16	124	124	169	241	668	979	128	241 777	56 186
HB	209	11	14	51	51	57	60	121	121		60	16 18 57
HB	210	12	15	232 — 1679	235	258				262 1679		21 397 779 1165 2109 2527
HB	211	12	16									75 2495
HB	212	12	15									
HB	213	12	15									

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
				1st	2nd	3rd					
HB 214	12	16	226	227	258	394	732	768	228	394	45 57 285 362 395 731 1869 2090
HB 215	12	16	226	229	258	401	732	768	230	401	45 57 285 392 395 402 529 731 1869 2090
HB 216	12	16	388	389	392	483	2524	2572	390	483	56 407
HB 217	12	16	85	89	107	143			89	143	21 70 116
HB 218	12	16									
HB 219	12	16									45 731 2090
HB 220	12	16	468	469	525	656	2226	2399	472	656	110 243 579
HB 221	12	16	1388 1691	1389	1467	2072			1389 1692 2000 2001	2073	45 110 731 1490 1942 2090
HB 222	12	16									45 110 731 1149 1325 1326
HB 223	12	16									111
HB 224	12	16	488	488	525	773	2586	2801	496 575	773 2754	285 380 669 942
HB 225	12	16	103	106	116	178			106 246	379	19 154 178 279 284
HB 226	12	16	231	231	258				231		75 392
HB 227	12	16									110
HB 228	12	16									110 204
HB 229	12	16	162	163	176	260	944	1157		260 1108	75 222
HB 230	12	16									356
HB 231	12	16	373	374	392	414				414	243 397

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
				1st	2nd	3rd					
HB 232	12	16							285		262
HB 233	12	16									
HB 234	12	16									122
HB 235	12	16									701
HB 236	12	16									
HB 237	12	16									122 422
HB 238	12	16	1092	1092	1144				1093		45 1235
HB 239	13	16									
HB 240	13	15	749	749	908	1147	1942	2251	756 1023	1147 2086	682 1086
HB 241	13	15	159	159	176	276	2256	2399		276	116 258
HB 242	13	15									682
HB 243	13	21	186	186	215	276				276	154 258
HB 244	13	16									
HB 245	13	15	461	464	525	657			464	657	261 579
HB 246	15	21	933	933	969	1015				1015	566 978 1022
HB 247	15	21	1277	1278	1415						110 986 1614
HB 248	15	20									45 57
HB 249	15	21									
HB 250	15	20									45 70 2471
HB 251	15	21									122
HB 252	15	21									122 403
HB 253	15	21									56
HB 254	15	21									111
HB 255	15	21	146	146	169	194	406	416	147 174	195	107 110 145 176 204
HB 256	15	21	322	326	376	484			334 457 458 530 531		243 407 484
HB 257	15	21	146	147	169	195	541	544		195	107 176
HB 258	16	21	410	411	483	1206			576 728 943 1150	1206	45 197 204 619
HB 259	16	21	122	123	169	216				217	106 186
HB 260	16	21									110
HB 261	16	21									106 542
HB 262	16	21									
HB 263	16	21	1031	1032	1103	1160	2366	2588	1036 1131 1132	1160 2532	181 1140
HB 264	16	21	1277	1278	1415	1493	2524	2572	1281	1493	181 1452

		Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
					1st	2nd	3rd					
HB	265	17	21	380	381	392	414			383	415	110 181 397
HB	266	17	21	533	533	542	680	2543	2762	534	680 2609	181 619
HB	267	17	21									70
HB	268	17	21	278	279	351	486	989	1014	279 360 395 458	486	222 362
HB	269	17	21	1277 1805	1290	1415				1292		110 181 1452 1570 2109 2527
HB	270	17	21	232	237	258	351	553	570	237	351	75 268
HB	271	17	21	1213	1213	1316	1496	2764		1214 1221	1496	579 1452 2788
HB	272	17	21									
HB	273	17	21	410	412	483	545	977	1157	412	545 1108	95 509
HB	274	17	21	83	84	107	192	668	681	183	193	59 122
HB	275	17	21									
HB	276	17	21	83	85	107	143	257	259		143	59 116
HB	277	17	20									682
HB	278	17	21	63	66	92	117				117	56 96
HB	279	17	21									
HB	280	17	21	1472	1472	1491	1666	2571	2588		1666	1326 1515
HB	281	20	56	712	712	767				716		619 990
HB	282	20	56	231	231	258	353	1134	1157		353	75 268 2087
HB	283	20	56									
HB	284	20	56	554	554	611	679	1669	2526		679 2082	542 619 2081
HB	285	20	56	735	735	908						682 945 974
HB	286	20	56	189	189	215	259	1162	1172		259	107 222 285
HB	287	20	56									176 2495
HB	288	20	56									395
HB	289	45	56									220
HB	290	45	56	630	630	678	971	1942	1966	630	971	300 883
HB	291	45	56									95 2495
HB	292	45	56	922	922	969				928 1023 1025		58 182 1028 2254

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
				1st	2nd	3rd					
HB 293	45	56	97	97	116	178	1337	1745		178 1567	58 154 182
HB 294	45	56	2109	2109	2395						154 2087 2471
HB 295	45	56									566
HB 296	45	56									261
HB 297	56	59	896	896	969	1162			897	1162	220 488 1140
HB 298	56	59	581	590	654	983	2759 2805 2904	2908	593 881 2814 2902	984 2815 2903	154 945 2786 2822
HB 299	57	59									1131
HB 300	57	59	388	388	392	415			403	415	181 397
HB 301	59	62	186	188	215	260	541	544		260	107 222
HB 302	59	62									659
HB 303	59	62	335	335	376	547				547	243 509
HB 304	59	62	1327	1327	1415	1493			1328 1333	1493	1131 1452
HB 305	61	62									
HB 306	61	62	146	151	169	217	618	657	197	217	107 186
HB 307	61	62	172	173	176						111 186 204 220 274 1131
HB 308	61	62									1472
HB 309	61	62	363	364	392	546	687	698	366 532	546	110 261 402 509
HB 310	61	62	997	997	1063	1159	1778	2251	999 1132 1150 1151	1159 2083	669 1086 2082
HB 311	62	75	191	191	215	354	687	698		355	70 110 154 220 268 357 395 616 1165
HB 312	62	75									
HB 313	62	75									
HB 314	62	75	206	206	240	275	2256	2399	207 246 360	379	146 220 258 276 356
HB 315	62	75									110 154 204
HB 316	62	75	213	214	240	274	1134	1157		274	154 258

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
				1st	2nd	3rd					
HB 317	74	96	363	366	392	484	687	698		484	186 407
HB 318	74	96	363	366	392	611				611	197 402 542 1022
HB 319	74	96	431	431	483	767			432	767	145 395 619
HB 320	74	96	634	634	678	1105			635 1026	1105	261 978 1131
HB 321	74	96									
HB 322	74	96	350	350	676	414	668	681	350	414	243 392 2908
HB 323	74	96	555 1046	558	611	1419			560 685 1046	1419	118 733 945 1234
HB 324	74	96	461	464	525				665		261 529 579
HB 325	74	96									285 380
HB 326	74	96									261 1019
HB 327	74	96									110 285 488 1131
HB 328	74	96									110 285 300 1131
HB 329	74	96	372	372	392	527			372	527	118 278 461 1869
HB 330	74	96	907	907	969	1144	1669	2251	1026	1145 2084	116 990 1078
HB 331	74	96									110
HB 332	94	96									
HB 333	94	96	226	230	258	353			231	354	111 268
HB 334	95	96	644	644	678	769	2067 2801 2821 2926	2904 2943	646 2812	770 2813 2920	182 402 533 689 881 2749 2910 2911 2920
HB 335	95	96	410	412	483	545				545	357 509
HB 336	95	96	363	366	392						197 509
HB 337	96	115									219 566
HB 338	96	115									182
HB 339	96	115									

	Introduced	Referred	Reported		Readings		Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
				1st	2nd	3rd					
HB 340	96	115									
HB 341	96	115									110 182 942
HB 342	96	115	1538	1538	1661						380 1691 1825
HB 343	110	115									
HB 344	110	115									181
HB 345	110	115	231	232	258				232 285 390		181 397 402
HB 346	110	115	423 1046	423	483	1321			431 1048	1321	243 542 945 1173
HB 347	111	115	1182	1183	1316						488 1452
HB 348	111	115									488 2495
HB 349	111	115									357 2495
HB 350	111	115	163	164	176	352	618	1014	166 198 285 286	353 921	118 204 268 776
HB 351	111	115	300	320	376	417	668	681		417	172 392
HB 352	111	115									186 204 402 403
HB 353	111	115									357 2495
HB 354	115	121									
HB 355	115	121									
HB 356	115	121	189	190	215	355	541	544	297	355	172 268
HB 357	115	121									118 685
HB 358	115	121	300	321	376	398	2543	2572		398	261 392
HB 359	118	153									243 1131
HB 360	121	154									243
HB 361	121	153	701	702	767						619 666 978
HB 362	145	153									258
HB 363	145	176	694	695	767						182 488 883 1140 1211
HB 364	145	153	891	892	969	1016				1016	243 978
HB 365	145	153	533	535	542	655	2524	2572	536	655	181 579
HB 366	145	153	555 1337	560	611	1669	2469	2518	730 987 1446	1669	423 733 1131 1515 1569

	Intro-duced	Re-ferred	Re-ported		Readings		Senate Message	En-rolled	Sub. or Amend	Voting*	Other Action
				1st	2nd	3rd					
HB 367	145	153	268	268	351	2070	2614 2907	2908	576 1152 1153 2822	2070 2822	176 461 2748 2763 2764
HB 368	145	154									
HB 369	145	153	335	336	376	399	944	973		399	243 392
HB 370	145	154	338	344	376	399	1337	1416	344	399	181 392 529 2908
HB 371	145	153	579	579	654	698	2256	2399		698	422 554 669
HB 372	145	154	1050	1051	1103	1417	1839	1861		1417	945 1173
HB 373	145	175									682 779 1755 2470
HB 374	145	175									145 261 423 682
HB 375	153	176	468	473	525				474		380 542
HB 376	153	175	1094	1095	1144	1496	2366 2801	2807	1096 1097	1496	380 1452 2532
HB 377	153	176	338	345	376	485			345 403	485	218 407 529
HB 378	153	175	384	384	392				404		261 407 2543
HB 379	171	175	991	991	1063	1146			992	1146	542 1086
HB 380	171	176									
HB 381	171	175									182 243 529
HB 382	171	176	1629	1630	1743	1862				1862	1326 1778
HB 383	171	175									
HB 384	171	176	1642	643	678				643		243 883
HB 385	171	175									529
HB 386	171	176									579 2495
HB 387	171	175	300	321	376	400	668	681		400	181 392
HB 388	171	175	335	337	376	400				400	243 392 402
HB 389	171	175	619	619	678	1013	1492	1547	628 665	1013	268 883
HB 390	171	175									
HB 391	171	176	1012	1012	1063	1207			1082 1165	1207	883 1140
HB 392	171	175									218
HB 393	171	175									

		Introduced	Referred	Reported		Readings		Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
					1st	2nd	3rd					
HB	394	171	175	362	362	392	565			362	565	197
										363		542
HB	395	171	175									
HB	396	171	176									243
												2495
HB	397	171	176									986
HB	398	171	176	533	536	542	656				656	278
												579
HB	399	175	185									
HB	400	175	185	407	407	483	612			408	613	258
												554
												616
HB	401	175	185									669
HB	402	175	185									
HB	403	175	185	2124	2124	2395						1673
HB	404	175	185	883	883	969	1162			1082	1162	566
										1132		1140
HB	405	179	185									285
HB	406	179	185	1869	1869	1965	2398	2586	2908	2104	2398	1868
				2163				2907		2222	2824	2011
										2301		2259
										2302		2685
										2823		2763
												2764
HB	407	179	185									
HB	408	179	185									218
HB	409	179	185									
HB	410	179	186	338	345	376	485	1551	1662		485	243
												407
HB	411	179	185	300	321	376				322		261
										506		509
										551		547
												548
												554
HB	412	179	185									
HB	413	179	186									
HB	414	179	185									218
HB	415	180	186	935	935	969	1163			939	1163	243
												1140
HB	416	180	185									218
HB	417	180	186	566	566	611	1013			685	1014	509
												731
												883
												942
												1022
HB	418	180	186	566	567	611	1014			617	1015	402
										987		509
												570
												731
												883
												1022
HB	419	180	186									
HB	420	180	186	335	337	376	416	732	768		416	243
												397
												529
HB	421	180	186	322	335	376	400	1172	1745		401	243
											1556	392
HB	422	185	206									
HB	423	185	205									
HB	424	185	205	896	897	969				897		682
												1028

		Introduced	Referred	Reported		Readings		Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
					1st	2nd	3rd					
HB	425	185	205	991	992	1063	1210				1210	669
												1158
HB	426	185	206	701	706	767				711		509
										712		570
												883
												1165
HB	427	185	206	596	596	654	699	1942	1966		699	533
												669
HB	428	185	205									682
												1022
HB	429	185	205	1258	1258	1415	1493			1259	1494	682
										2002	2068	1452
												1868
HB	430	185	206	1221	1221	1316				1226		619
												1452
HB	431	185	205	1258	1259	1415	1545	2614	2762	1261	1545	978
										1488	2757	1452
										1509		
										1510		
HB	432	185	206									357
												2495
HB	433	185	206	373	375	392	527	944	973		527	204
												219
												220
												243
												285
												395
												402
												461
HB	434	196	206	509	509	542	680	1491	1494		681	220
												243
												256
												356
												570
												619
												685
HB	435	196	205	518	518	542	613	2469	2518		613	278
												529
												548
												554
												616
HB	436	196	205									
HB	437	196	205									
HB	438	197	205	1516	1531	1661	2076			1532	2076	1140
										2002		1942
HB	439	197	206	1019	1020	1063				1020		357
										1166		883
												1158
HB	440	197	205	518	520	542	655	989	1014	617	655	380
												554
HB	441	205	221									279
HB	442	205	221									
HB	443	205	221									357
												2495
HB	444	205	221									
HB	445	205	221	735	735	908						682
												978
HB	446	205	221	407	408	483	545	1452	1469	532	545	392
												509
HB	447	205	221									392
HB	448	205	221									392
												2495

		Intro-duced	Re-ferred	Re-ported	Readings			Senate Message	En-rolled	Sub. or Amend	Voting*	Other Action
					1st	2nd	3rd					
HB	449	217	221	780	780	908						548 945
HB	450	217	221	468	474	525	680	1162	1172		680	380 616 619
HB	451	218	221	596	597	654	771	1234	1320		771	380 689
HB	452	218	221									300 1131
HB	453	218	221	780	878	908				879		548 945
HB	454	218	221									
HB	455	218	221	619 1661	628	678				628		380 529 945 1421 2109 2469 2471
HB	456	218	221	735	737	908				738		682 1087 1421
HB	457	221	257	1050	1052	1103						529 945 1140 1231
HB	458	221	268									
HB	459	221	267									
HB	460	242	268									
HB	461	242	258	712	727	767	982			727	983	619 945
HB	462	242	257	579	580	654	699	1491	1494		699	554 669
HB	463	242	257	518	521	542	772			525	772	261 529 685 689
HB	464	242	257	1629	1631	1743	1862			1631	1862	1472 1778
HB	465	242	257	461	465	525	564	2256	2399		564	423 542
HB	466	242	257	410	413	483	546				546	357 509 548
HB	467	242	257	579	580	654	771	1134	1157	581	772	423 689
HB	468	242	258									1078
HB	469	242	257									566
HB	470	243	257	516	516	542	611	989	1014		612	380 554
HB	471	243	257									285 395
HB	472	255	257									285
HB	473	255	257	1455	1455	1491	1748	2469	2518	1456 1684	1748	669 1613
HB	474	255	257	1869 2163	1871	1965	2399	2586 2908	2908	2163 2303 2304 2361 2362 2878	2400 2901 2926	1868 2011 2259 2743 2763 2764 2910 2912 2926

	Intro-duced	Re-ferred	Re-ported	Readings			Senate Message	En-rolled	Sub. or Amend	Voting*	Other Action
				1st	2nd	3rd					
HB 475	255	257	1869 2163	1936	1965	2402	2586 2907	2908	2220 2825	2402 2825	1868 2011 2259 2745 2763 2764
HB 476	257	268									
HB 477	257	268									262 285 380 395 402 685 1570
HB 478	257	268	516	517	542	656	1452	1469		656	357 579 616
HB 479	257	268	468 2050	474	525	2519			482 2050	2519	260 395 402 529 542 1165 1996 2366
HB 480	261	268									
HB 481	261	268									922
HB 482	261	267	1946	1946	2066				1947		357 1672 2615
HB 483	267	300	566	568	611				569		509 619
HB 484	267	300	780	780	908	1104			975 987 1083	1104	548 990
HB 485	267	300									1131
HB 486	277	277	431 1251	433	483	1547	2366 2801	2807	1251 1510 1511	1548	357 395 402 509 529 881 1022 1140 1452 1570 1752 2090 2603
HB 487	267	300									
HB 488	267	300	596	599	654	699	1868	2071		699	533 669
HB 489	267	300	1050	1053	1103	1206				1206	682 1140
HB 490	277	300	1092	1093	1144						616 986 1165 1235
HB 491	277	300									529 554 1165
HB 492	277	300	1003 1570	1003	1063	1860	2256	2399	1006 1571 1834	1861	529 619 685 881 1022 1087 1211 1691

		Introduced	Referred	Reported		Readings		Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
					1st	2nd	3rd					
HB	493	277	300	933	935	969	1016	2495	2762	935	1016 2604	395 566 978
HB	494	277	300	630	631	678	770	2256	2399	632	770	488 689
HB	495	277	300	1111	1120	1144	1468	2770	2807	1124 1333	1468 2797	357 566 1158
HB	496	277	300									
HB	497	277	300	1102	1102	1144						619 1158
HB	498	277	300									357
HB	499	277	300	1455	1456	1491	1800			1457 1488	1800	396 1691
HB	500	277	300	642	643	678	910			644	910	548 733
HB	501	277	300	997 2046	997	1063				997		488 1158 1754
HB	502	299	361									390
HB	503	299	361									529
HB	504	299	361									548
HB	505	299	361	619	628	678	770	1162	1172		770	529 548 689
HB	506	299	361									548
HB	507	299	361	1140	1140	1158	1553	2256	2399		1554	542 1490
HB	508	299	361	555	560	611	679	1234	1320	561	679	396 619
HB	509	299	361									
HB	510	300	361	1094	1097	1144	1471			1334	1471	1337
HB	511	356	361	780	781	908						669 945
HB	512	356	361									669
HB	513	357	361	1327	1328	1415	1494				1494	779 1452
HB	514	357	361	1031	1039	1103	1207	1969	2071	1153 1154 1166	1207 1208	986 1140 1208
HB	515	357	361	1472	1473	1491	1666	2543 2801	2807		1666	402 1140 1515 2610
HB	516	357	361									1078
HB	517	357	361	933	934	969	1146			935 1132	1147	566 1086
HB	518	357	361									
HB	519	357	361	561	561	611	769	1492	1547	563	769	533 669 2571 2913
HB	520	357	361									402 403 533 566 2908
HB	521	357	361									566
HB	522	361	392	1755	1755	1794	2253			2253		986 2011
HB	523	380	392	634	635	678	909	2614	2801	639	909 2758	403 733
HB	524	380	392	664	664	678	983	2245	2588	664	983 2529	403 945

	Intro-duced	Re-ferred	Re-ported	Readings			Senate Message	En-rolled	Sub. or Amend	Voting*	Other Action
				1st	2nd	3rd					
HB 525	380	392	1629	1631	1743	1863	2543	2801	1632	1863 2752	945 1778
HB 526	380	392									659
HB 527	380	392									
HB 528	380	392									488
HB 529	380	392									403
HB 530	380	392	509	513	542	612	1801	1861		612	403 554
HB 531	394	396									1140
HB 532	394	396									
HB 533	394	396	659	659	678	909	2543	2572	660	909	423 733
HB 534	394	396	659	660	678	910				910	423 733
HB 535	394	396									616 659
HB 536	394	396	907	907	969	1163				1163	689 1140
HB 537	395	396	639	639	678	911	2614	2801		911 2758	548 733
HB 538	396	406	1258	1265	1415	1545	2495	2526	1266	1545	682 1452
HB 539	396	407	1221	1228	1316	1470	2495	2526	1470		548 1078 1337 1482 2471 2908
HB 540	396	407									548 1078 2090
HB 541	396	407									548 922
HB 542	402	407	1128	1128	1144	1209	1868	2071	1129	1209	423 1158
HB 543	402	407	1128	1129	1144	1209	1868	2071	1129	1209	423 1158
HB 544	402	407	1421	1421	1467	1547				1547	423 1490
HB 545	402	407									1140 1570
HB 546	402	406	1140	1142	1158	1417				1417	945 1234
HB 547	402	407	1094	1098	1144	1418				1418	779 1234
HB 548	402	406	883	884	969	1163			1026	1163	614 1140
HB 549	402	406									
HB 550	402	407									548 779 922 1109
HB 551	402	406									
HB 552	402	406	1140	1142	1158	1319	2256	2399	1142	1319	542 1173
HB 553	402	407	1050	1053	1103	1160	2524	2572	1155 1168 1169 1170 1334	1544	533 1140 1160 1164
HB 554	403	406									2471
HB 555	403	406	639	640	678	770	2256	2399		771	566 689

		Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
					1st	2nd	3rd					
HB	556	403	407	642	642	678						548 883 2090 2908
HB	557	403	406	1367	1367	1467	1547	2543	2762		1547 2610	566 1490
HB	558	403	407	735	741	908	1063	1969	2071	742	1063	682 978
HB	559	406	460									
HB	560	406	460									
HB	561	406	460	639	641	678	771	1162	1172		771	548 689
HB	562	406	460	1111	1128	1144	1417	1801	1861		1417	566 1173
HB	563	406	460									614
HB	564	406	460	1378	1378	1467	1744	2571	2588	1684 1685	1745	614 1490
HB	565	406	461	1102	1103	1144	1416	2495	2526	1334	1416	619 1173 2908
HB	566	422	460									
HB	567	422	460									614
HB	568	422	460	689	690	767	980	1669	1745	975	980	548 685 883 1022
HB	569	422	460	883	885	969	1064			885	1064	533 990
HB	570	422	460									
HB	571	423	460	1029	1029	1103	1160	1942	2251	1030	1161 2086	779 942 945 978 1140
HB	572	423	460									701
HB	573	460	508	1094	1098	1144	1320	2524	2572		1320	659 1173
HB	574	460	508	1094	1099	1144	1207	1778	1796		1207	659 1158
HB	575	460	508	596	599	654	700	2759	2762	686	700	533 669
HB	576	460	508									547 1825
HB	577	460	508	1944	1944	2066						547 1825 2109 2527
HB	578	487	508									619 1570 1826
HB	579	487	508	596	600	654	700	1613	1662		700	533 669 731
HB	580	487	508	780	783	908						669 945
HB	581	487	508	596	601	654	772	2067	2588		772 2528	533 689
HB	582	487	508	1327	1329	1415	1803			1768 1939	1803	779 1691
HB	583	487	508	780	784	908	979	1452	1469	878	979	548 945

		Introduced	Referred	Reported	Readings 1st	2nd	3rd	Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
HB	584	487	508									
HB	585	487	508									
HB	586	487	508									
HB	587	488	508	1337	1338	1467	1800			1339	1800	733 1691
HB	588	488	508	639 2033	641	678				641		548 570 883 1022 1673 1869 2090 2908
HB	589	488	508	896	897	969	1064	2245	2251		1064	529 570 682 990
HB	590	508	541	1094	1099	1144	1418	2759 2811	2904	1334 1448	1546 2821	779 1234 1418 1498 2786
HB	591	508	541	1378	1378	1467	1744			1379 1685	1744	566 1515 1752
HB	592	508	541	1378 1948	1379	1467				1380		614 1613 1672 2615 2766 2783
HB	593	508	541									669
HB	594	508	541	896	899	969						682 978
HB	595	532	541	1019	1019	1063	1415			1019 1026 1083 1335		883 1158 1416
HB	596	532	541	735	738	908	978	2524	2572		978	682 945
HB	597	532	541									1148
HB	598	532	541	885	885	969	1145	1492	1547	890 943 975	1146	579 1028
HB	599	532	541									
HB	600	532	541									616 1149 1165 1172 1231 1673 1869 2090
HB	601	532	541	907 1943	907	969	2401			1599 2362	2401	701 1028 1754 2090 2109
HB	602	532	541	733	733	908	1106				1106	579 1028
HB	603	532	541	1337	1339	1467						1131 1778
HB	604	533	541									542 2495
HB	605	533	541	1031	1045	1103	1318			1045 1232	1318	689 1158

	Introduced	Referred	Reported		Readings		Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
				1st	2nd	3rd					
HB 606	533	541									566
HB 607	533	541	1378	1380	1467				1382		701 1481 1778 1825
HB 608	541	553	749	764	908	1147				1147	682 1086
HB 609	541	553	1211	1212	1316	1496	2469	2518	1212	1496	548 685 731 1140 1452
HB 610	548	553	712	727	767	970	1839	2251		970 2084	619 883
HB 611	548	553									
HB 612	548	553	1173	1178	1316	1797	2759	2762	1511	1797	669 1613
HB 613	548	553									
HB 614	548	553									616
HB 615	548	553	1472	1473	1491	1666	2543	2572	1474 1512	1667	1140 1515
HB 616	553	578	1140	1143	1158	1320	2256	2399		1320	945 1173
HB 617	553	578									669
HB 618	553	578	1378	1384	1467				1384		659 1614
HB 619	565	578	1092	1093	1144	1497			1171 1232 1335	1497	731 986 1452
HB 620	565	578	1140	1143	1158						945 1337 1470
HB 621	565	578									1140 1570
HB 622	566	579	1629	1632	1743						1421 1839
HB 623	566	578									
HB 624	566	579									
HB 625	566	578									
HB 626	566	579									883
HB 627	566	579									
HB 628	566	579	1050	1054	1103				1084		945 1235 1869
HB 629	566	578	780	878	908						669 945
HB 630	566	578									659 2090
HB 631	566	578	891	892	969	1016	1491	1494		1016	701 978
HB 632	566	579	1050	1054	1103	1419			1133	1419	685 945 1234 1481
HB 633	566	578	1571	1571	1661	1799	2469	2518		1799	1211 1691
HB 634	566	579	735	740	908	981			975	981	682 945
HB 635	578	619	1673	1677	1743	1967	2764		1677 1834	1968	779 1778 2788

		Introduced	Referred	Reported		Readings		Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
					1st	2nd	3rd					
HB	636	578	619	1627	1628	1743				1628		1164 1482 2109 2527
HB	637	578	619									
HB	638	578	618									
HB	639	578	619	1029	1030	1103	1161			1155	1161	974 978 1140
HB	640	578	619	1050	1055	1103	1161	2543	2762		1161 2611	945 1140
HB	641	578	618									682 1978
HB	642	614 2822	618	1235	1235	1415	1802	2764 2907	2908	2907	1802 2907	986 1691 2794
HB	643	614	619									
HB	644	614	619	1094	1100	1144	1550			1488	1551	685 779 1452 1570
HB	645	614	619	1575	1575	1661				1578		883 1691
HB	646	614	619	1327	1329	1415				1330		1131 1516
HB	647	614	619									986
HB	648	614	619									1211 2495
HB	649	614	619									
HB	650	614	619	735	739	908	1158			739 1155 1232	1319	682 1028 1159 1232
HB	651	614	619	1538	1538	1661	1860			1540	1860	1078 1691
HB	652	614	619									
HB	653	614	618	896	902	969	1017	2256	2399		1017	682 978
HB	654	614	618									
HB	655	618	668	1337	1339	1467	1801	2675	2762		1801	986 1691
HB	656	618	669									986
HB	657	618	669									1421
HB	658	618	669									1421
HB	659	618	669	1673	1678	1743	1973	2614	2667	1679	1973	1131 1839 2908
HB	660	618	668	1089 1805	1090	1144	2251	2571	2588	1090 2105	2251	779 1235 1570 2011 2471
HB	661	618	669									1109
HB	662	658	669	1128	1129	1144	1209			1130	1210	701 1158
HB	663	658	669									701
HB	664	658	669	1128	1130	1144	1210	2287	2588	1130	1210 2531	701 1158
HB	665	658	668									2090
HB	666	658	668	1258	1267	1415	1662	2469	2518	1599	1662	922 1490

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	Introduced	Referred	Reported	1st	Readings 2nd	3rd	Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
HB 667	658	668									2090
HB 668	658	668									1326 1498
HB 669	658	669									
HB 670	668	688	1050	1061	1103	1317	2245	2588	1062 1232	1317 2529	945 1140
HB 671	668	688	1173	1173	1316	1469			1335	1470	1140 1337
HB 672	668	689								1078	1482
HB 673	668	688									
HB 674	668	688									
HB 675	668	688									1211 2495
HB 676	668	688									701 779
HB 677	681	688	1789	1789	1860	2404	2764 2805	2822		2404 2809	986 2109 2795
HB 678	681	732									
HB 679	681	688	1277	1292	1415	1803			1448 1488	1804	1691
HB 680	681	688									986
HB 681	681	688									974 2495
HB 682	681	688	1693	1693	1794	1970	2675	2762	1939	1970	1131 1839 2910 2911
HB 683	681	688									
HB 684	681	688	1453	1453	1491	1745	2571	2588	1455 1489 1599 1685	1745	731 881 974 1022 1131 1613 1752 1754
HB 685	681	688									731
HB 686	681	688	1327	1330	1415	1494	2469	2518		1495	779 1452 1570
HB 687	687	732									
HB 688	687	733	1627	1629	1743	2405			1629 2105 2362	2405	922 2109
HB 689	687	732									
HB 690	687	732									2090
HB 691	687	732									2090
HB 692	687	733									1472
HB 693	688	733									922 2495
HB 694	688	733	1455	1457	1491						922 1839
HB 695	688	733									1672
HB 696	688	732	1692	1692	1794	1971			1835	1971	883 1131 1516 1839 1869
HB 697	688	733									2543
HB 698	688	732									986 1498
HB 699	688	732	1455	1457	1491						986 1019 1613
HB 700	688	732	1087	1087	1144	1208				1208	779 1158

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
				1st	2nd	3rd					
HB 701	688	733	1327	1330	1415	1671	2665	2667		1671 1748	1131 1515 1672
HB 702	688	733	1293	1293	1415	1552	2764	2783	1298	1552	1140 1490 2908
HB 703	688	732	1516 2495	1516	1661				1520		1082 1452 1570 1691 2409
HB 704	688	732									
HB 705	701	732									922
HB 706	701	733	1472	1475	1491	1667	2571	2588	1475	1667	1140 1515
HB 707	701	732	1029	1031	1103	1318	1778	1796		1318	922 1140
HB 708	701	733									1421
HB 709	701	733	1629	1633	1743	2405			1633	2405	1498 2109
HB 710	732	882	1326	1326	1415	1751			1327	1751	986 1613
HB 711	732	882									
HB 712	732	882									
HB 713	732	882									
HB 714	732	882	1778	1778	1860	2250			1780	2250	1140 2011
HB 715	777	882									
HB 716	778	882									1421
HB 717	778	882	1173	1179	1316						1140 1516
HB 718	778	882	1050	1062	1103						945 1140
HB 719	778	882									2090
HB 720	778	882									
HB 721	778	882	1087	1087	1144	1320	2524	2572	1232	1321	986 1173 2908
HB 722	778	882	1693	1693	1794	2073			1693	2073	1421 1942
HB 723	778	882									1421
HB 724	778	882	1693	1693	1794	2074				2074	1421 1942
HB 725	778	882									1421
HB 726	778	882									1869
HB 727	778	882									1140
HB 728	778	882	1472	1475	1491	1667	2256	2399		1667	1326 1515
HB 729	778	882	1421	1422	1467	1796	2586	2588	1489	1796	1211 1613
HB 730	778	882									
HB 731	778	882									
HB 732	778	882									1211 2495
HB 733	778	882									1452
HB 734	882	945									
HB 735	882	944	1182	1182	1316	1794	2543	2572	1685	1795	1086 1452
HB 736	882	944	1627	1627	1743	1972	2675	2762		1972	1164 1839 2910 2911

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	Intro-duced	Re-ferred	Re-ported	Readings 1st	Readings 2nd	Readings 3rd	Senate Message	En-rolled	Sub. or Amend	Voting*	Other Action
HB 737	882	944									1140
HB 738	921	944	1367	1368	1467	1747	2495	2762	1609 1610 1686	1747 2605	1164 1490
HB 739	921	945									
HB 740	922	944									1211 2495
HB 741	922	944									1472
HB 742	922	944	1258	1268	1415	1747			1269 1610	1747	978 1515
HB 743	922	945	1472	1476	1491	1796			1477	1796	1140 1613
HB 744	922	945									
HB 745	922	945									
HB 746	922	944	1378	1385	1467	1662	2495	2526	1385 1512	1662	986 1490
HB 747	922	944	1575	1579	1661				2003		1140 1942 1977
HB 748	922	944									
HB 749	922	945	1293	1298	1415	1495	2675	2807		1495 2785	1140 1452
HB 750	944	978									1022 1082 1165
HB 751	944	978									990
HB 752	944	978									1425
HB 753	944	978	1258	1269	1415				1270 1610		1019 1614 2908
HB 754	973	978									
HB 755	973	978									1131
HB 756	973	978									1019 1978
HB 757	973	978									1131
HB 758	973	977	1235	1237	1415	1802	2543 2801 2805	2822	1244 1610 1768 2808	1802 2808	1022 1131 1481 1691 2612
HB 759	973	978	1778	1781	1860						1022 1140 2495
HB 760	973	978	1472	1477	1491	1667	2495	2526		1668	1140 1515
HB 761	973	978	1337	1340	1467	1670			1686	1670	1158 1515 1672
HB 762	973	978	1258	1271	1415	1554	2469	2518		1554	1019 1490
HB 763	977	990									1421
HB 764	977	990									1452
HB 765	977	989	1944	1944	2066	2397	2665	2667		2397	1498 2109
HB 766	977	990									1131
HB 767	977	990									
HB 768	977	990	1621	1621	1743	1863	2571	2588		1863 1864	1078 1778 1864
HB 769	977	990	1378	1385	1467	1670	2495	2801		1670 2750	1164 1515
HB 770	977	990	1534	1535	1661	1797	2495	2526		1797	1211 1691

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
				1st	2nd	3rd					
HB 771	977	990	1378	1386	1467	1670	2495	2801	1387	1671	1131
										2751	1515
HB 772	977	990	1575	1579	1661	1968	2543	2572	1585	1968	1140
									1586		1691
									1768		
									1769		
									1939		
									1940		
HB 773	977	990									
HB 774	985	990									1754
HB 775	985	990	1839	1840	1965	2248	2524	2572		2248	1673
											2011
HB 776	985	990	1258	1274	1415	1495				1495	1078
											1452
HB 777	985	990	1388	1389	1467	1671	2586	2588	1390	1671	1211
										2918	1515
											2910
											2919
HB 778	985	990									
HB 779	985	990									
HB 780	985	990	1327	1332	1415	1551	2256	2399		1551	1131
											1490
HB 781	985	990	1173	1180	1316	1553			1180	1553	1109
									1512		1140
											1165
											1231
											1490
HB 782	985	990	1949	1949	2066				1949		1211
											2615
HB 783	985	990									
HB 784	985	990									
HB 785	985	990									
HB 786	985	989	1805	1805	1860	2252			1813	2252	1570
									2003		1672
									2004		2011
									2106		
HB 787	986	990	1729	1730	1794	2401	2571	2588	2363	2401	984
											1022
											1131
											1570
											2109
											2471
											2908
HB 788	986	989									
HB 789	986	990									1078
HB 790	986	990	1277	1293	1415						1131
			2272								1614
											1755
HB 791	986	990									
HB 792	986	990									
HB 793	986	990									
HB 794	986	990									1211
											2495
HB 795	986	990									
HB 796	989	1028									1421
HB 797	989	1027	1516	1524	1661	2248			1769	2248	1452
											1691
											2090
HB 798	989	1027	1839	1840	1965						1472
											2572
											2766
HB 799	989	1027	2124	2125	2395						1673
HB 800	989	1027	1173	1180	1316						1140
											1165
											1337
											1662
HB 801	989	1028	1538	1540	1661	1974			1541	1974	1421
											1839

HISTORY OF HOUSE BILLS

	Intro-duced	Re-ferred	Re-ported	Readings			Senate Message	En-rolled	Sub. or Amend	Voting*	Other Action
				1st	2nd	3rd					
HB 802	989	1028	1534	1535	1661				1536		1211 2011
HB 803	989	1028									
HB 804	989	1027									1140
HB 805	989	1027									
HB 806	1018	1027									
HB 807	1018	1027	1367	1368	1467	1746			1686	1746	1164 1515
HB 808	1018	1028	1367	1369	1467	1549				1549	1109 1164 1490
HB 809	1018	1027	1337	1340	1467						1158 1691
HB 810	1018	1027									1165 1752 1767
HB 811	1018	1028									1140 1570
HB 812	1018	1027	1173	1180	1316				1610		1140 1614
HB 813	1018	1027									
HB 814	1018	1027	1465	1466	1491	1665			1466 1513	1666	1140 1515
HB 815	1018	1028									1568
HB 816	1027	1086									1672
HB 817	1027	1086	1293	1308	1415	1552	2764	2783		1552	1149 1490
HB 818	1027	1086									1164 2767
HB 819	1027	1086	1778	1781	1860	2250			2009 2106	2250	1570 2011
HB 820	1027	1086									
HB 821	1027	1086	1423	1423	1467	1802	2256	2399		1802	1131 1691
HB 822	1027	1086									
HB 823	1027	1086									1421
HB 824	1027	1086									
HB 825	1078	1086									1149
HB 826	1078	1086	1337	1341	1467	1801	2614	2667	1489	1801	1131 1691
HB 827	1078	1086									1211
HB 828	1078	1086									1164 1211
HB 829	1078	1086									1131
HB 830	1078	1086									1326
HB 831	1078	1086									
HB 832	1078	1086									1421
HB 833	1085	1139									1164
HB 834	1085	1139									
HB 835	1085	1140									1326
HB 836	1085	1140									1326
HB 837	1085	1140									1164
HB 838	1085	1139	1337	1341	1467				1342		1158 1778
HB 839	1085	1139									1326 1479
HB 840	1085	1139									2090
HB 841	1085	1140									1425
HB 842	1085	1140	1629	1634	1743	1863	2543	2572	1635	1864	1421 1778 2908
HB 843	1085	1139	1693	1694	1794	1971	2764	2783		1971	1421 1839
HB 844	1085	1139									1164
HB 845	1085	1139	1575	1586	1661	2252				2252	1326 2011

		Introduced	Referred	Reported		Readings		Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
					1st	2nd	3rd					
HB	846	1085	1139	1575	1588	1661	1975	2495	2526	1589	1975	1326
										1687		1839
												2908
HB	847	1085	1140	1293	1310	1415	1803			1513	1803	1140
												1691
HB	848	1085	1164									1425
HB	849	1086	1140									
HB	850	1086	1139									1231
HB	851	1086	1140	1629	1635	1743				2107		1498
												2109
HB	852	1086	1140									
HB	853	1086	1140									1421
HB	854	1086	1140	1534	1536	1661	1797	2469	2518		1798	1164
												1691
HB	855	1110	1139									1452
HB	856	1110	1140									1752
HB	857	1110	1140	1755	1755	1794	2255	2665	2807	2107	2255	1326
											2789	2011
HB	858	1110	1140									
HB	859	1110	1139	1978	1978	2066				2776		1326
												2366
												2783
HB	860	1110	1139	1337	1342	1467	1749	2665	2807	1345	1750	1158
										1687	2793	1613
HB	861	1110	1140	2051	2051	2245				2364		1754
										2664		2366
												2595
HB	862	1110	1139									1164
HB	863	1110	1140									1472
HB	864	1110	1140	1629	1657	1743	1966			1659	1966	1326
										1940		1778
HB	865	1110	1139									1172
												1869
HB	866	1110	1139									1164
HB	867	1110	1139									
HB	868	1110	1140	1463	1463	1491	1749	2543	2572		1749	1211
												1613
HB	869	1110	1140	1538	1541	1661	1860	2495	2526		1860	1452
												1691
HB	870	1110	1139									
HB	871	1110	1139									
HB	872	1110	1140									
HB	873	1110	1140									1149
HB	874	1110	1139	1621	1621	1743				2004		1172
												2109
HB	875	1110	1140									
HB	876	1110	1139									1149
												1481
												1482
												1570
												2090
HB	877	1110	1140	1755	1758	1794						1164
												2011
												2253
												2908
HB	878	1110	1140									1211
												2495
HB	879	1111	1139									1570
HB	880	1111	1139	1778	1786	1860	2251				2251	1326
												2011
HB	881	1111	1139									
HB	882	1111	1140	1472	1478	1491	1668				1668	1326
												1515
HB	883	1111	1139	1621	1621	1743	1973	2571	2588	1835	1973	1172
										1836		1839
HB	884	1111	1139	2124	2126	2395						1211

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	Introduced	Referred	Reported		Readings		Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
				1st	2nd	3rd					
HB 885	1111	1139	1337	1345	1467	1969			1611	1969	1158 1778
HB 886	1111	1139	1466	1466	1491	1749				1749	1234 1613
HB 887	1111	1139	1571	1571	1661	1975	2524	2572		1975	1211 1839
HB 888	1111	1140	1755	1761	1794	2247	2665	2807		2247 2787	1472 2011
HB 889	1111	1139	1516	1524	1661	1798				1798	1452 1691
HB 890	1111	1139									1481 1482 1490 1570
HB 891	1111	1140									
HB 892	1111	1140									
HB 893	1111	1139									
HB 894	1134	1157									1165 1869
HB 895	1134	1158	1421	1422	1467	1751	2571	2801	1423	1751 2753	1211 1613 1752 2090 2908
HB 896	1134	1157									
HB 897	1134	1157									1498 1568
HB 898	1134	1157									1498 1672
HB 899	1134	1157									
HB 900	1134	1157	1516	1525	1661	2076	2665	2667	1527 1689 2005	2077	1326 1942
HB 901	1134	1157	1698	1698	1794	2253	2665	2667	1706 2107	2253	1326 2011
HB 902	1134	1158									
HB 903	1134	1157	1805	1805	1860						1570 2011 2527
HB 904	1134	1157									
HB 905	1134	1157									
HB 906	1134	1157									
HB 907	1135	1157									1326
HB 908	1135	1157									1164
HB 909	1135	1157									1164
HB 910	1135	1157									1211
HB 911	1135	1157									1164
HB 912	1135	1157									
HB 913	1135	1157									
HB 914	1135	1157	1698	1707	1794	1971	2571	2588		1971	1231 1498 1839
HB 915	1135	1157									
HB 916	1135	1157	1698	1707	1794	2247	2571	2588	1709	2248	1326 2011
HB 917	1135	1157	1627	1627	1743	2075				2076	1164 1942
HB 918	1135	1157									
HB 919	1135	1158									
HB 920	1135	1158									
HB 921	1135	1157									1211
HB 922	1135	1158									
HB 923	1135	1157									1211
HB 924	1135	1157	1726	1726	1794				1729		1211 2366 2585

		Intro-duced	Re-ferred	Re-ported	Readings			Senate Message	En-rolled	Sub. or Amend	Voting*	Other Action
					1st	2nd	3rd					
HB	925	1135	1158	1629	1635	1743	2254				2254	1498 2011
HB	926	1135	1157	1673	1673	1743	1864	2524	2572		1864	1164 1778
HB	927	1135	1157									1234
HB	928	1135	1158									
HB	929	1135	1158									
HB	930	1136	1157									
HB	931	1136	1158	1755	1766	1794	2248	2764	2783	1767	2249	1498 1942
HB	932	1136	1157	1982	1983	2066	2402	2665 2805		1986 1991 2005 2364 2493	2403	1211 2259 2801
HB	933	1136	1157	1571	1573	1661	1799	2495	2526	1574 1575 1774	1799	1211 1691
HB	934	1136	1157									1498
HB	935	1136	1157									1421
HB	936	1136	1158									1421
HB	937	1136	1157	1337	1346	1467	1549	2495	2801	1363	1550 2607	1158 1490
HB	938	1136	1157									
HB	939	1136	1158	1538	1541	1661	1798			1542 1940	1798 1969	1337 1691 1825 1868
HB	940	1136	1158									
HB	941	1136	1158	1841	1841	1965	2249			1842 2107	2249	1421 2011
HB	942	1136	1158									
HB	943	1136	1158									1421
HB	944	1136	1157									1211
HB	945	1136	1158									1421
HB	946	1136	1157									
HB	947	1136	1157	1978	1981	2066	2522				2522	1326 2366
HB	948	1136	1158	1869	1938	1965						1326 1570 1868 2011
HB	949	1136	1157									1326
HB	950	1136	1158									1164 1231 2495
HB	951	1136	1157									1421
HB	952	1136	1157									1326
HB	953	1136	1157									1570
HB	954	1136	1157									1421
HB	955	1136	1157									1326
HB	956	1137	1157									
HB	957	1137	1157	1949	1949	2066						1498 1499 2585
HB	958	1137	1157									
HB	959	1137	1157									
HB	960	1137	1158	1789	1790	1860	2404			1790	2404	1421 2109
HB	961	1137	1157									
HB	962	1137	1157									1326
HB	963	1137	1158									1869
HB	964	1137	1157									1326
HB	965	1137	1158	1629	1636	1743						1498 2109

	Intro-duced	Re-ferred	Re-ported	Readings			Senate Message	En-rolled	Sub. or Amend	Voting*	Other Action
				1st	2nd	3rd					
HB 966	1137	1158									
HB 967	1137	1157									1472
HB 968	1137	1158	1538	1542	1661	2250				2250	1337 1752 1942
HB 969	1137	1157									1211
HB 970	1137	1158									
HB 971	1137	1158									1472
HB 972	1137	1157									
HB 973	1137	1158									1211 2495
HB 974	1137	1158	1841	1855	1965	2246				2246	1421 2011
HB 975	1137	1158									
HB 976	1137	1158									
HB 977	1137	1158									
HB 978	1137	1158									
HB 979	1137	1158									
HB 980	1138	1157									1472
HB 981	1138	1157	2124	2127	2395						1211
HB 982	1138	1157	1946	1947	2066						1452 1481 2615
HB 983	1138	1158									1421
HB 984	1138	1157	1805	1805	1860	2072				2072	1570 1942 2089 2247
HB 985	1138	1157									1498 1752 1767
HB 986	1138	1157									1326
HB 987	1138	1157	1789	1791	1860	2069	2665	2667	1940 2008	2069	1421 1942
HB 988	1138	1158									
HB 989	1138	1157	2011	2011	2245				2013		1480 1754 2090 2572 2771
HB 990	1138	1158									
HB 991	1138	1158	1755	1761	1794	2253				2253	1472 2011
HB 992	1138	1158	1455	1461	1491	1967	2543	2762	1449 1463 1611 1836	1967 2613	1172 1570 1613
HB 993	1138	1158									
HB 994	1138	1157									1421
HB 995	1138	1157	1778	1787	1860						1326 1942
HB 996	1138	1157									1570
HB 997	1138	1157									
HB 998	1138	1157									1326
HB 999	1138	1157									1326
HB 1000	1138	1158									1211
HB 1001	1148	1158	1755	1762	1794	1972	2665	2667	1941	1972	1326 1839
HB 1002	1148	1157									
HB 1003	1148	1158									
HB 1004	1148	1157									
HB 1005	1148	1157									1570 1869

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Sub. or Amend	Voting*	Other Action
				1st	2nd	3rd					
HB 1006	1148	1157	1571	1575	1661	1861	2495	2667	1837	1861 2608	1421 1691
HB 1007	1148	1157	1698	1709	1794	2404				2404	1498 2109
HB 1008	1148	1157									
HB 1009	1148	1157									1326
HB 1010	1148	1157									1498
HB 1011	1148	1157	1698	1710	1794	2247	2571	2588	1711 2008	2247	1326 2011
HB 1012	1148	1158									
HB 1013	1148	1158									
HB 1014	1148	1157									1421 1481 1482 1570
HB 1015	1148	1158	1755	1763	1794	2071			2009	2071	1472 1942
HB 1016	1149	1157									1570 2908
HB 1017	1149	1158									2090
HB 1018	1149	1158									
HB 1019	1149	1158									1326
HB 1020	1149	1157	2259	2259	2395				2261		1421
HB 1021	1149	1157									

HISTORY OF HOUSE RESOLUTIONS

(Numbers refer to page of House Journal. The text of a resolution is given on first reading or adoption.
Joint resolutions are designated HJR; concurrent resolutions are designated HCR.)
*Voting modifications appear at the member's name in the subject index.

Bill No.	Introduced	Referred	Reported	Readings			Adopted	Senate Message	Enrolled	Voting*	Other Action
				1st	2nd	3rd					
HJR 1	2	14	237	237	258						181 268
HJR 2	2	14	237	238	258						181 268
HJR 3	2	14	237	239	258	401	402	989	1014	402	116 392
HJR 4	2	14	381	383	392	415	415	944	973	415	116 383 397
HJR 5	2	13									118 779
HJR 6	2	14									204 533 682
HJR 7	2	14	468 1943	482	525	2396	2397	2675	2762	2396	182 380 542 1754 1943 1944 2109
HJR 8	2	14	338 693	346	376	970	971			970	176 461 619 883
HJR 9	3	14	338	347	376	417	417	2524	2572	417	182 243 397
HJR 10	3	14	1538	1543	1661	1800	1800	2675	2762	1800	1337 1691
HR 11	1						1				
HR 12	1						2				
HJR 13	3	15	63	63	92	116	116			117	19 96 117 145
HCR 14	13	16									118 1570
HCR 15	13	16									218 1570
HR 16	18						18				
HJR 17	16	21	533	538	542						110 181 554
HCR 18	16	21	1003	1009	1063	1210	1211			1211	45 529 619 1158
HR 19	20						46				
HJR 20	45	56	735	740	908	979	979	1551	1662	979	145 218 945
HCR 21	57	59	237	237	258	354	354	989	1014	354	70 75 110 145 243 268

Bill No.	Introduced	Referred	Reported	Readings			Adopted	Senate Message	Enrolled	Voting*	Other Action
				1st	2nd	3rd					
HCR 22	57	59									
HR 23	61						69				70 110 118
HCR 24	62	176	596	608	654	768	768				533 669
HJR 25	74	96	388 1991	389	392	2402	2402	2764	2783	2402	181 397 1754 1992 2109
HR 26	74						107				
HR 27	75						108				
HR 28	110						113				
HR 29	146						219				
HCR 30	146	154	596	608	654	768	768	1162	1172	768	533 669 881
HR 31	172						240				
HR 32	172	176									
HR 33	179						182				
HJR 34	179	186									
HR 35	179						196				
HR 36	197						284				
HR 37	197	206									380 1570
HCR 38	218						218	257	299		
HR 39	221						261				
HCR 40	267	300									
HR 41	267						276				
HJR 42	277	300									285
HR 43	299						356				
HR 44	299										355 356
HR 45	361						391				395
HJR 46	380	392									533 548 881 1022 1570
HR 47	396						529				
HR 48	396	407	579	579	654	768	768				529 548 616 669 731 881 2090 2771
HR 49	403										
HR 50	403	407	1293	1312	1415	1495	1495				731 881 1140 1452 2908
HR 51	423										457
HR 52	398						398				
HCR 53	423	578	749	766	908	981	981	2245	2251		532 682 766 945
HR 54	488						615				615
HR 55	488										506
HR 56	508						528				

Bill No.	Introduced	Referred	Reported	Readings			Adopted	Senate Message	Enrolled	Voting*	Other Action
				1st	2nd	3rd					
HJR 57	533	541									
HJR 58	548	553	1003 1479	1010	1063	1668	1668	2469	2518	1668 2918	619 1158 1326 1479 1515 1672 2910 2918
HR 59	553						563				
HCR 60	553	579									
HR 61	566	578	1028	1028	1103	1161	1162				779 1140 1165 2090
HJR 62	566	579									
HJR 63	614	619	1293	1313	1415	1552	1553	2495	2762	1552 2609	1140
HR 64	618						666				
HR 65	618						666				685
HR 66	658	669	1293	1313	1415						1140 1613 2908
HR 67	658	669									
HR 68	688						731				
HJR 69	688	732									
HJR 70	732	882	1755 1943	1763	1794	2403	2403			2403	1078 1839 1942 1943 1977 2109
HJR 71	778	882									
HJR 72	778	882	1575	1589	1661	1975	1976	2614	2667	1975	1140 1839
HCR 73	778	882									942 974 975 1140 1481
HJR 74	779	882	1614	1614	1743	1864	1865			1865	1491 1778 2771
HJR 75	779	882									986 1023 1165
HJR 76	779	882									986 1023
HJR 77	779	882									986 1165
HR 78	992						942				
HR 79	944						1081				
HR 80	973						974				
HJR 81	977	990									
HCR 82	986	990	1978	1982	2066						1672 2615
HCR 83	986	990									1498
HR 84	986						2088				
HR 85	989						1065				
HCR 86	1027	1086	1629	1637	1743	1973	1974			1974	1326 1839 1938
HJR 87	1086	1140									
HR 88	1086						1109				1109
HCR 89	1111	1140	1778	1787	1860	2070	2070			2070	1333 1570 1942

Bill No.	Introduced	Referred	Reported	Readings			Adopted	Senate Message	Enrolled	Voting*	Other Action
				1st	2nd	3rd					
HCR 90	1111	1139	1839	1840	1965	2249	2249			2249	1498 2011
HR 91	1138						1317				
HJR 92	1138	1158	1792	1792	1860	2071	2071	2524	2572	2071	1516 1942
HJR 93	1138	1158									1337
HCR 94	1138	1157	1258	1274	1415						1172 1452
HJR 95	1138	1158	1472	1478	1491	1669	1669	2571	2588	1669	1326 1515
HCR 96	1139	1157	1466	1467	1491	1669	1669	2469	2518	1669	1326 1515
HCR 97	1139	1157									1211 2908
HJR 98	1139	1158									1498
HJR 99	1139	1158	1755	1764	1794						1326 1839
HR 100	1139	1172									
HJR 101	1139	1158									1421
HR 102	1139	1172									
HR 103	1139	1172									
HR 104	1139	1172	2051	2065	2245	2669	2669				1869 2066 2572
HCR 105	1139	1158									1869
HJR 106	1139	1158									
HR 107	1149	1172									
HCR 108	1149	1158									1869 2908
HJR 109	1149	1157									1421 1481 1482 1570
HCR 110	1149	1158	1629	1637	1743	2074	2074	2571	2588	2074	1472 1638 1942 2908
HCR 111	1149	1158									1673
HR 112	1149						1424				
HR 113	1158										
HR 114	1164	1172	1629	1638	1743	1865	1865			1865	1472 1778
HR 115	1326						1752				1752
HR 116	1420						1480				
HR 117	1421						1499				
HR 118	1472						1746				
HR 119	1472										
HCR 120	1498	1515	1778	1788	1860						1570 1789 2495
HCR 121	1498	1515	1755	1765	1799	1972	1972	2571	2588	1972	1613 1839
HCR 122	1498	1515	2015	2015	2245	2520		2520		2520	1869 2366
HCR 123	1498	1515									1978
HCR 124	1498	1515									1978
HCR 125	1498	1515	1789	1792	1860						1613 2011
HR 126	1570	1613	2011	2014	2245	2520	2520				1754 2366
HR 127	1570	1613									1978
HR 128	1570						1753				
HR 129	1567						1567				1568
HR 130	1672						1743				
HCR 131	1754	1778									2087
HR 132	1753						1753				
HR 133	1977	2089									2090

Bill No.	Introduced	Referred	Reported		Readings		Adopted	Senate Message	Enrolled	Voting*	Other Action
				1st	2nd	3rd					
HR 134	1977						1994				2090
HR 135	1977						2400				2401
HR 136	1977	2089									
HR 137	2087						2089				
HR 138	2087						2616				
HR 139	2259						2469				
HR 140	2259						2286				
HR 141	2259	2495									
HR 142	2259										
HR 143	2259						2680				
HR 144	2395						2395				
HR 145	2409	2495									
HR 146	2532						2532				
HR 147	2533	2572					2617				2771
HR 148	2533	2572									2771
HR 149	2533						2543				
HR 150	2615						2617				
HR 151	2614						2614				
HR 152	2615						2616				
HCR 153	2615	2665									
HCR 154	2615	2665									
HCR 155	2615	2665									
HR 156	2615										
HR 157	2766						2768				
HR 158	2766						2770				
HR 159	2766						2815				
HR 160	2766						2767				
HR 161	2767						2770				
HR 162	2767						2768				
HR 163	2783						2819				
HR 164	2783										2804
HR 165	2783										
HR 166	2803						2816				
HR 167	2803						2905				
HR 168	2803						2804				
HR 169	2803						2803				
HR 170	2828						2828				
HR 171	2827						2827				
HR 172	2905						2905				
HR 173	2905						2906				
HR 174	2913						2913				
HR 175	2919						2920				
HR 176	2919						2921				
HCR 177	2919						2919	2926	2943		
HCR 178	2919						2923	2943	2943		2923
HR 179	2919						2921				
HR 180	2924						2924			2924	
HR 181	2927						2927				

HISTORY OF SENATE BILLS

(Numbers refer to page of House Journal. The text of the bill is given on first reading.)
*Voting modifications appear at the member's name in the subject index.

		Senate Message	Re-ferred	Re-ported	Readings 1st	2nd	3rd	En-rolled	Sub.or Amend.	Voting*	Other Action
SB	2	397	406	896	924	969	1017	1104		1017	488 978
SB	3	541	553	1516	1527	1661	2255	2400		2255	1452 1691
SB	4	392	396	1673	1673	1743	2256	2590	1673 1996	2256	542 1839
SB	7	668	688	1028	1028	1103	1469	1492		1469	986 1234
SB	8	115	121	407	408	483	565	655		565	361 542
SB	9	194	206	1954	1954	2066	2765	2822	1956 2288	2765	1337 2109
SB	10	392	396	2374	2392	2518	2665	2807	2394	2665	1691 2572
SB	11	257	268	488 1029	505	525	2067	2518	505 1029 1482	2067	380 579 1158
SB	14	460	508	639	641	678	911	970		911	566 733
SB	15	257	267	2366	2366	2518	2764	2807	2618	2765	1570 2572
SB	16	406	461	1221	1228	1316	1804	1861		1804	1131 1515
SB	17	977	990	1693	1694	1794	2070	2246	1996 2009 2010	2070	1421 1942
SB	19	267	300	510 2501	514	542	2669	2807	515 570	2669	403 579 2087 2615
SB	20	541 1942 2406 2495	553	1391	1391	1467	1664	2796	1402 1500 1598 2588	1665 2589	1211 1490 2258 2406 2468 2470 2572
SB	24	121	153	1089	1090	1144	1415	1469		1415	566 1158
SB	26	153 2801	175	1729	1741	1794	2525	2909	1741 2091 2291 2471 2828	2525 2829	566 2011 2802
SB	27	153	175	1729	1741	1794					1211 2366
SB	35	115	121	579	581	654	908	970		908	554 689
SB	37	153	176	338	347	376	528	655	349 404	528	218 461
SB	38	69	75								95 2495
SB	39	115	121	461	466	525	657	680		657	261 579
SB	41	392	396	1755	1765	1794	2676	2796	1938 2472	2676	1498 2366

		Senate Message	Re-ferred	Re-ported	Readings			En-rolled	Sub.or Amend.	Voting*	Other Action
					1st	2nd	3rd				
SB	45	508	541	2412	2427	2518	2666	2796		2666	1978 2572
SB	46	397	460	1367	1369	1467	2257	2585	1373 2095	2257	570 922 1778
SB	47	2252	2366								
SB	51	115	121	407	409	483	546	613		546	361 509
SB	54	688	668	1697	1697	1794	2255	2400		2255	779 1839
SB	56	153 2469	176	1187	1187	1316	1548	2909	1188 1206 1425 1428 1434 1438 1482 1488 1489 1500 1501 1507 2851	1549 2877	1078 1337 2760 2761
SB	57	115	121	373	375	392	486	655	376	486 543	243 407 486 529
SB	58	257	268	2033	2033	2245	2760	2807	2096	2760	1613 2615
SB	62	175	186								
SB	64	175	185	689	692	767	1018	1104		1018	682 978
SB	65	397	406	896	904	969	1106	1145	905	1106	488 1028
SB	66	267	300								1672 2409
SB	67	977	990	1954	1956	2066	2674	2796	1997	2674	1337 2615
SB	69	1063	1086	2412	2412	2518			2414		2087
SB	71	460	406	2051	2056	2245	2585		2472 2546	2585	1869 2366
SB	74	1172	1234	2223	2230	2395	2590	2667	2618	2590	1472 2495
SB	77	1452	1491								1869
SB	79	353	361	596	609	654	971	981	942	972	533 883
SB	81	668	688	1029	1031	1103	1318	1325		1318	978 1158
SB	83	1551	1613	2033	2038	2245	2587	2796	2038 2473	2587	1673 2366
SB	84	1172	1234	1698	1713	1794	2256	2408		2256	1498 2011
SB	86	1234	1337	1954	1956	2066	2764		2547 2619	2764	1691 2495 2614
SB	87	1134	1157	1621	1621	1743	2078	2258		2078	1172 1778
SB	89	121	153	510	515	542	678	767	516	678	403 579
SB	92	392	396	614	614	654	969	2908	728 881 942 2807	969 2808	542 669 2760 2761

		Senate Message	Re-ferred	Re-ported	Readings			En-rolled	Sub.or Amend.	Voting*	Other Action
					1st	2nd	3rd				
SB	93	1172	1234								1978
SB	94	267	300	1954	1956	2066	2522	2585		2522	1691 2366
SB	101	299	361	1389	1390	1467	2067	2246		2067	566 1778
SB	102	299	361	896	905	969	1017	1104		1017	488 978
SB	105	299	361	1726	1729	1794			2295 2473 2771		566 2109 2783
SB	106	732	882								
SB	107	553	579	1954	1957	2066	2406	2796	1958	2406	1691 2109
SB	108	397	406	1089	1091	1144	1468	1492		1468	566 1173
SB	110	299	361	539	539	542	612	655		612	407 554
SB	116	460	508	2051	2057	2245			2058 2548 2619 2620		682 2366 2783
SB	118	578	619	1003 1805	1010	1063	2519	2585		2519	883 1158 1570 2109
SB	120	397	406	749	766	908	981	1014		981	554 945
SB	121	257	267	896	906	969	1145	1159		1145	488 990
SB	123	1839	2089	2467 2583	2467 2583	2665					2468
SB	124	460 2805	508	2259	2263	2395	2668	2908	2263 2272 2475 2621 2830	2668 2831	1672 2572 2810
SB	128	1551	1613								
SB	132	406	460	1792	1793	1860	2594	2676		2594	1326 2495
SB	133	406	460	1327	1332	1415	1804	1861		1804	1131 1691
SB	134	553	579	1954	1958	2066	2522	2585		2523	1691 2366
SB	135	578	619	1293 2124	1314	1415	2667	2796		2667	945 1516 1869 2572
SB	136	1492	1515	2051	2058	2245					1754
SB	137	460	508	2496	2496	2584					1978
SB	141	668	688	1391	1413	1467	1748	1868	1415	1748	1019 1515
SB	143	1969	2011						2622		
SB	145	406	460	2051	2058	2245	2672	2762	2771	2672	1754 2615
SB	148	977 2614	989	1337	1364	1467	1795	2803	1598	1796 2761	1158 1515
SB	152	397 2470	407	1755	1765	1794	2075	2803	1997	2075 2760	1498 1942

	Senate Message	Re-ferred	Re-ported	Readings			En-rolled	Sub.or Amend.	Voting*	Other Action
				1st	2nd	3rd				
SB 153	406	460	2051	2058	2245	2586	2826	2060 2296	2586	1498 2366
SB 154	406	460	1275	1275	1415	1497	1549		1497	566 1452
SB 155	406	460								669
SB 156	732	882	1841	1858	1965	2670		1859	2670	1498 2572
SB 157	882	945	2412	2429	2518	2666	2796		2666	1498 2572
SB 158	578	619	2051	2060	2245	2526	2585		2526	1673 2366
SB 159	406	460	2496	2496	2584	2672	2796	2771	2672	1498 2615
SB 160	406	460	2496	2496	2584			2622		1498 2615 2783
SB 161	406	460	2496	2498	2584	2671	2762		2671	1498 2615
SB 162	882	945	2496	2499	2584	2671	2796		2671	1498 2615
SB 163	508	541	2051	2060	2245	2765	2826	2061 2475	2766	1498 2366
SB 164	578	619	2496	2500	2584	2672	2796		2672	1498 2615
SB 165	508	541	2496	2500	2584	2673	2796		2673	1498 2615
SB 169	1234	1337	2124	2127	2395	2590	2807	2296	2590	1498 2495
SB 173	668	688	1697	1697	1794	2068	2246		2068	922 1839
SB 174	977	1086	2533	2533	2584			2534		1570 2615
SB 176	541	553	1337	1364	1467	1866	2796	1366	1866	986 1613
SB 177	618	669								
SB 178	732	882	2412	2414	2518			2548 2624 2626		1498 2572 2783
SB 179	578	619	2496	2501	2584	2673	2796		2673	1498 2615
SB 180	578	619	2496	2501	2584	2675	2796		2675	1498 2615
SB 182	882	945								1498
SB 183	732	882	1050	1063	1103	1468	1492	1165	1468	945 1158
SB 184	578	619								1498
SB 185	1613	1691	2124	2128	2395	2591	2667		2591	1754 2495
SB 186	578	619								1498
SB 187	882	945								1498
SB 188	882	945								1498
SB 189	578	619								1498
SB 190	732	882	1614	1614	1743	2519	2585		2519	990 2011
SB 191	989 2770	1028	1954	1959	2066	2406	2909	2296 2831	2406 2845	1337 2109 2795
SB 192	1063	1086								1498
SB 194	944	978	1673	1673	1743	1865	1966		1865	1421 1778

		Senate Message	Re-ferred	Re-ported	Readings 1st	Readings 2nd	Readings 3rd	En-rolled	Sub.or Amend.	Voting*	Other Action
SB	197	1337	1452	2223	2231	2395	2591	2826	2232	2591	1672 2495
SB	199	1134	1157	2366	2369	2518			2632		1337 2615 2783
SB	201	989	1028	1673	1674	1743					1421 1839 2011
SB	202	1234	1337	2124	2130	2395	2676	2796	2548	2676	1498 2495
SB	204	1491	1515	2506	2506	2584			2507 2549		2409
SB	205	1839	1942	2501	2502	2584	2670	2796		2670	2087 2615
SB	206	1172	1234	1949	1953	2066	2523	2585	2099	2523	1516 2366
SB	208	977	990	1839	1840	1965	2669	2796		2669	1211 2572
SB	209	668	688	1173	1181	1316	1470	1492		1470	1140 1337
SB	210	668	688	1621	1622	1743	1865	2518	1827	1866	922 1778
SB	212	668	688	2051	2061	2245	2520	2585		2520	1673 2366
SB	215	977	990	1367	1377	1467	1866		1149 1598 1776	1866	1164 1613 2089
SB	219	977	989								2087
SB	221	1778	1839	2235	2235	2395	2674	2749	2633 2634	2674	1869 2572
SB	222	1491	1515								2287 2409
SB	223	1172	1234	2506	2507	2584			2508		2287 2409
SB	225	1551	1613								
SB	226	687	732	1378	1387	1467					922 1490 2087
SB	229	944	978	1673	1674	1743	2407	2518		2407	1421 2109
SB	230	687	732	1378	1388	1467	1976	2518	1388 1507	1976	922 1515
SB	232	977	990	1621	1622	1743	2257	2590	1623	2257	1149 1839
SB	233	1172	1234	1673	1674	1743	2068	2246		2068	1421 1839
SB	236	1172	1234	2051	2062	2245	2593	2807	2064	2594	1498 2495
SB	237	1172	1234								1498
SB	238	1172	1234	1954	1960	2066	2765	2803	2634	2765	1337 2572
SB	239	687	733	1182	1183	1316	1470	1492		1471	1019 1337
SB	240	989	1028								1498
SB	243	1134	1157	1516	1528	1661	1866	2408	1528	1867	1234 1778
SB	244	1172	1234								
SB	245	989	1028								
SB	247	1234	1337	2411	2411	2518			2635		2087
SB	249	1162	1172	1621	1623	1743	2670	2796		2670	1472

		Senate Message	Re-ferred	Re-ported		Readings		En-rolled	Sub.or Amend.	Voting*	Other Action
					1st	2nd	3rd				
				2501							2011 2087 2615
SB	251	1492	1515	2272	2272	2395	2678	2807	2277 2549	2678	1869 2572
SB	252	1515	1613	2272	2277	2395	2676	2796	2281 2286 2300 2550	2676	1869 2542 2615
SB	255	1134	1157	1698	1715	1794	2524	2807	1726 1997 2300 2478	2524	1452 2366
SB	256	989	1028	1629	1639	1743	1867	1966		1867	1452 1778
SB	257	977	990	1538	1543	1661	2069	2246		2069	1337 1839
SB	259	989	1027	1729	1742	1794	2074	2400	2099	2074	1211 1942
SB	261	977	989	2501	2504	2584					2087
SB	262	1452	1491	2046	2046	2245	2520	2585		2521	1754 2366
SB	263	977	990	1954	1964	2066					1691 2615
SB	265	989	1028	2051	2064	2245	2590	2667		2590	1516 2366
SB	267	1134	1158	2051	2064	2245	2673	2796		2673	1754 2615
SB	269	977	990	2124	2133	2395			2133 2300 2640 2641 2642		1211 2572 2783
SB	270	989	1027								1140
SB	273	1134	1157	1516	1528	1661	1867	2408	1529 1598	1867	1234 1778
SB	275	1134	1157	2235	2236	2395	2589	2796	2242 2551	2589	1755 2495
SB	276	1134	1157	1516	1529	1661	1966	2518	1531	1966	1452 1691
SB	277	1134	1157	1621	1625	1743	2407	2518		2407	1172 2109
SB	279	1162	1172								2259 2409
SB	280	1134	1158	1755	1766	1794	2258	2408		2258	1498 2011
SB	282	1492	1515	2223	2234	2395	2679	2796		2680	2087 2572
SB	283	1234	1337	1614	1615	1743	2257	2408	1998 2099	2257	1491 1942
SB	284	1162	1172								
SB	285	1491	1515	2033	2038	2245	2521	2585		2521	1613 2366
SB	287	1613	1691	2501	2505	2584	2671	2807	2642	2671	2087 2615
SB	288	1337	1452	2374	2374	2518	2679	2796	2382 2391	2679	1691 2614 2615

		Senate Message	Re-ferred	Re-ported		Readings		En-rolled	Sub.or Amend.	Voting*	Other Action
					1st	2nd	3rd				
SB	292	1172	1234	1729	1743	1794	2075	2258		2075	1472 1942
SB	293	1172	1234	1673	1676	1743					1421 2109 2585
SB	294	1234	1337	2223	2223	2395	2592	2822	2224 2555 2642	2592 2613	2087 2495 2615
SB	295	1839	1942								2259 2409
SB	298	1492	1515	2033	2039	2245	2521	2585		2521	1613 2366
SB	300	1491	1515	2033	2040	2245	2594	2676	2478 2479	2595	1613 2366
SB	302	1452	1491	2046	2049	2245			2479 2481 2775		1754 2366 2783
SB	303	1491	1515	2124	2133	2395	2593	2667		2593	1673 2495
SB	305	1491	1515	2046	2049	2245	2679	2796	2776	2679	1754 2615
SB	306	1452	1491	2015	2018	2245	2593	2749		2593	1498 2495
SB	307	1491	1515								
SB	308	1337	1452	1698	1725	1794	2759		1999 2555 2556	2759	1498 2011 2618
SB	309	1491	1515	1946	1948	2066					1672 2615
SB	311	1839	1942	2572	2572	2665					2087
SB	312	2067	2109	2572	2573	2665			2574 2642 2643		2259 2470
SB	314	1162 2805	1172	1944	1945	2066	2667	2908	1946 2481 2482	2668 2827	1672 2366 2667 2810 2826
SB	315	2067	2366								
SB	316	1778	1839	2154	2154	2395	2677	2796		2677	1978 2615
SB	317	1452	1491	2015	2027	2245	2526	2807	2489 2556	2526	1673 2366
SB	323	1839	1942								2259 2409
SB	324	2252	2366								
SB	325	1551	1613								
SB	326	1492	1515								
SB	327	1172	1234	1614	1620	1743	1970	2074		1970	1337 1778
SB	330	1491	1515	2033	2044	2245	2594	2676		2594	1613 2495
SB	331	1492	1515								1869
SB	332	1868	1942								
SB	333	1491	1515	2015	2027	2245			2028		1673
SB	334	1515	1613								1869 2011

		Senate Message	Re-ferred	Re-ported		Readings		En-rolled	Sub.or Amend.	Voting*	Other Action
					1st	2nd	3rd				
SB	335	1492	1515	2124	2134	2395	2764	2803	2645	2764	1673 2572
SB	336	1452	1491	2235	2242	2395			2243 2489 2556		1869 2618
SB	338	1778	1839	2141	2141	2395			2141 2490		1869 2572 2783
SB	339	1778	1839	2015	2028	2245			2646		1869 2572 2783
SB	340	1492	1515	2533	2535	2584			2542		1869
SB	341	1778	1839	2141	2141	2395			2557 2561 2562 2652		1869 2495 2783
SB	343	1613	1691	2051	2065	2245	2524	2807	2101 2490	2525	1825 2366
SB	344	1839	1942								
SB	345	1942	2011								
SB	348	1778	1839								1869
SB	351	1551	1613	1949	1953	2066					1691 2615
SB	352	1492	1515	2412	2430	2518	2759	2908	2447 2490 2653 2656	2760	2087 2518 2615
SB	353	1801	1839	2409	2409	2518			2658		2011 2572 2783
SB	354	2256	2366								
SB	356	1452	1491	2015	2015	2245			2018 2102		1673
SB	357	1613	1691	2412	2418	2518			2658		1978
SB	361	1778 2802	1839	2109	2111	2395	2586	2908	2116 2562 2563 2564 2659	2683 2810	1978 2495 2587 2616 2802 2809
SB	364	1492	1515	2124	2135	2395	2591	2667	2660	2592	1673 2495
SB	366	1778	1839								1978
SB	369	1778 2805	1839	2141	2146	2395	2761		2661	2762 2811 2826	1869 2615 2810 2826
SB	371	1839	1942	2372	2373	2518			2661 2662		2087 2572 2783
SB	372	1839	1942	2372	2372	2518	2680	2796		2680	2087 2615
SB	374	2256	2366								
SB	379	1868	1942	2506	2508	2584	2677	2803	2513	2677	2287 2409 2615
SB	380	1839	1942	2154	2154	2395	2763	2822	2162 2565 2567 2662	2763	1978 2614 2615
SB	384	1969	2011	2572	2574	2665					2259
SB	388	1839	1942	2572	2577	2665					2087
SB	390	1491	1515	2124	2136	2395	2762	2803	2300 2568	2762	1673 2495

	Senate Message	Re-ferred	Re-ported	Readings			En-rolled	Sub.or Amend.	Voting*	Other Action
				1st	2nd	3rd				
SB 391	1839	1942	2572	2579	2665			2662		2087
SB 401	1839	1942	2141	2152	2395	2666	2796		2666	1978
										2572
SB 403	1942	2011								
SB 404	1942	2011	2412	2448	2518	2678		2464	2679	2087
	2802							2663		2572
										2802
SB 411	1778	1839	2109	2110	2395			2110		1978
SB 414	1942	2011	2496	2501	2584	2677	2796		2677	2087
										2615
SB 415	1942	2011	2412	2423	2518			2426		2087
								2569		
SB 416	1778	1839	2572	2581	2665			2583		1968

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(Numbers refer to page of House Journal. The text of a resolution is given on first reading or adoption.)
Joint Resolutions are designated SJR; concurrent resulutions are designated SCR.)
***Voting modifications appear at the member's name in the subject index.**

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				1st	2nd	3rd				
SJR 1	153	176	596	609	654	768	769	910	768	533 669
SCR 6	267	300	596 1173	610	654	1553	1553	1795	1553	533 883 1140 1490
SCR 8	194	206	659	663	678	980	980	1014	980	418 548 733
SCR 10	882	944								
SCR 12	153						171			
SCR 14	353	361	735	741	908	1105	1105	1145	1105	682 978
SJR 23	668	688	1697	1698	1794					1498 2011
SCR 30	882	944	2124	2139	2395	2592	2593	2803	2593	1673 2140 2495 2618
SCR 42	1172	1234	2124	2140	2395					1498 2546
SCR 43	1801	1839								
SCR 45	1778	1839	2015	2032	2245	2521	2522	2585	2522	1869 2366
SCR 46	1492	1515	1954	1964	2066	2523	2523	2585	2523	1691 2366
SCR 47	1492	1515	1954	1965	2066	2523	2524	2585	2524	1691 2366
SJR 50	1839	1942								
SJR 51	1492	1515								2287
SJR 52	1801	1839								2287
SCR 56	1778	1895	2141	2153	2395	2675	2675	2796	2675	1869 2572
SJR 60	1868	1942	2412	2426	2518					2087
SCR 78	1839	1942	2412	2427	2518					2087
SCR 98	2759						2829		2830	
SCR 114	2920						2926			
SCR 117	2926									

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601 KAR 9:072-pp. 20, 59

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  ombudsman program-HB 155
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Social security benefits, income tax exemption-HB 250
Utility service termination prohibiton-HB 423

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  finance corporation, creation of-HB 2, 51
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  restrictions exemption-SB 105
  restrictions repeal-HB 71
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  package sales proposition-HB 74
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  competency testing-SB 19
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